

001

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL ☒ DEEPEN ☐

1b. TYPE OF WELL

OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☒

2. NAME OF OPERATOR

Inland Production Company

3. ADDRESS OF OPERATOR

Route #3 Box 3630, Myton, UT 84052

Phone: (435) 646-3721

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At Surface SW/NE 2203' FNL 2021' FEL 4434885Y 40.06120
At proposed Prod. Zone 590960X -109.93348

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 18.0 miles southeast of Myton, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY
OR LEASE LINE, FT. (Also to

Approx. 1757' f/lse line

16. NO. OF ACRES IN LEASE

1,036.24

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL,
DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT.

Approx. 1315'

19. PROPOSED DEPTH

6500'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4957' GR

22. APPROX. DATE WORK WILL START*

3rd Quarter 2003

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
Refer to Monument Butte Field SOP's Drilling Program/Casing Design				

Inland Production Company proposes to drill this well in accordance with the attached exhibits.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM : If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone.
If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED Mandie Crozier TITLE Regulatory Specialist DATE 4/15/03

(This space for Federal or State office use)

PERMIT NO. 43-047-34934

APPROVAL

Application approval does not warrant or certify that the applicant holds legal or equitable title to the lands in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Bradley G. Hill TITLE BRADLEY G. HILL DATE 05-06-03
ENVIRONMENTAL SCIENTIST III

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED

APR 17 2003

DIV. OF OIL, GAS & MINING

T9S, R18E, S.L.B.&M.

INLAND PRODUCTION COMPANY

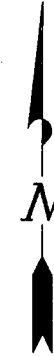
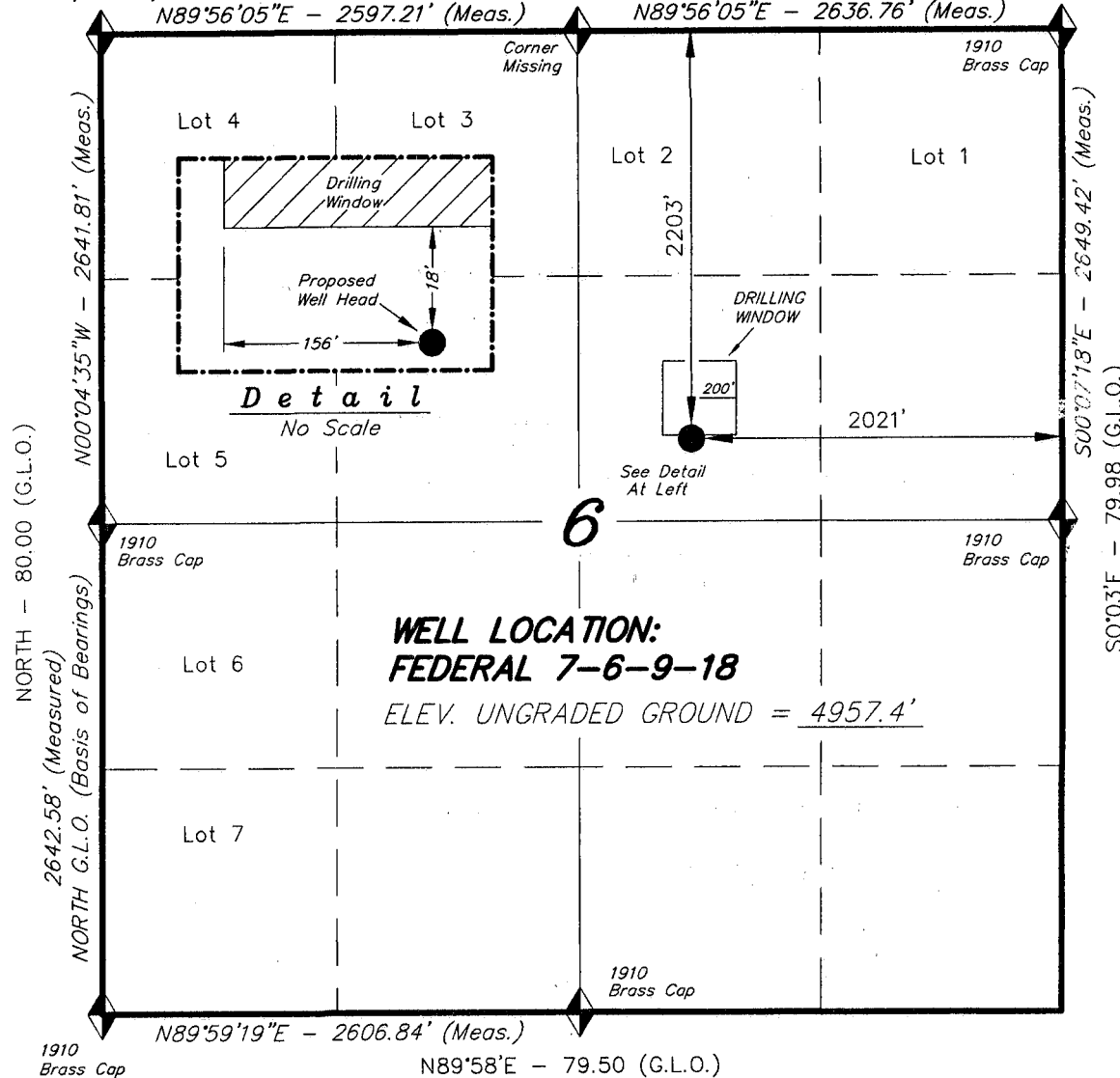
Corner Missing:
(Position Double
Proportioned)

N89°59'E - 79.40 (G.L.O.)

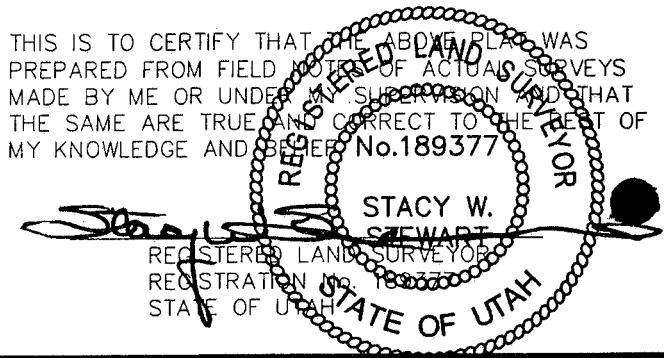
N89°56'05"E - 2597.21' (Meas.)

N89°56'05"E - 2636.76' (Meas.)

WELL LOCATION, FEDERAL 7-6-9-18,
LOCATED AS SHOWN IN THE SW 1/4 NE
1/4 OF SECTION 6, T9S, R18E, S.L.B.&M.
UINTAH COUNTY, UTAH.



THIS IS TO CERTIFY THAT THE ABOVE PLAN WAS
PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS
MADE BY ME OR UNDER MY SUPERVISION AND THAT
THE SAME ARE TRUE AND CORRECT TO THE BEST OF
MY KNOWLEDGE AND BELIEF. No.189377



◆ = SECTION CORNERS LOCATED

BASIS OF ELEV; U.S.G.S. 7-1/2 min QUAD (PARIETTE DRAW SW)

TRI STATE LAND SURVEYING & CONSULTING

38 WEST 100 NORTH - VERNAL, UTAH 84078
(435) 781-2501

SCALE: 1" = 1000'

SURVEYED BY: K.G.S.

DATE: 3-10-03

DRAWN BY: J.R.S.

NOTES:

FILE #



PRODUCTION COMPANY
A Subsidiary of Inland Resources Inc.

April 15, 2003

State of Utah
Division of Oil, Gas & Mining
Attn: Diana Mason
1594 West North Temple - Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Applications for Permit to Drill: Federal 2-6, 3-6, 5-6, 6-6, 7-6, 8-6, 13-6, and
14-6-9-18.

Dear Diana:

Enclosed find APD's on the above referenced wells. If you have any questions, feel free
to give either Brad or myself a call.

Sincerely,

Mandie Crozier
Regulatory Specialist

mc
enclosures

RECEIVED

APR 17 2003

DIV. OF OIL, GAS & MINING

**INLAND PRODUCTION COMPANY
FEDERAL #7-6-9-18
SW/NE SECTION 6, T9S, R18E
UINTAH COUNTY, UTAH**

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. GEOLOGIC SURFACE FORMATION:

Uinta formation of Upper Eocene Age

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

Uinta	0' – 1640'
Green River	1640'
Wasatch	6500'

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS:

Green River Formation 1640' – 6500' - Oil

4. PROPOSED CASING PROGRAM

Please refer to the Monument Butte Field Standard Operation Procedure (SOP).

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

Please refer to the Monument Butte Field SOP. See Exhibit "C".

6. TYPE AND CHARACTERISTICS OF THE PROPOSED CIRCULATION MUDS:

Please refer to the Monument Butte Field SOP.

7. AUXILIARY SAFETY EQUIPMENT TO BE USED:

Please refer to the Monument Butte Field SOP.

8. TESTING, LOGGING AND CORING PROGRAMS:

Please refer to the Monument Butte Field SOP.

9. ANTICIPATED ABNORMAL PRESSURE OR TEMPERATURE:

The anticipated maximum bottom hole pressure is 2000 psi. It is not anticipated that abnormal temperatures will be encountered.

10. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS:

Please refer to the Monument Butte Field SOP.

**INLAND PRODUCTION COMPANY
FEDERAL #7-6-9-18
SW/NE SECTION 6, T9S, R18E
UINTAH COUNTY, UTAH**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. EXISTING ROADS

See attached Topographic Map "A"

To reach Inland Production Company well location site Federal # 7-6-9-18 located in the SW 1/4 NE 1/4 Section 6, T9S, R18E, Uintah County, Utah:

Proceed southwesterly out of Myton, Utah along Highway 40 - 1.6 miles \pm to the junction of this highway and UT State Hwy 53; proceed southeasterly along Hwy 53 - 15.3 miles \pm to it's junction with an existing dirt road to the northeast; proceed northeasterly - 0.9 miles \pm to the beginning of a two track road to be upgraded; proceed along this road - 1.2 miles \pm to it's junction with the beginning of the proposed access road; proceed southeasterly along the proposed access road 1,095' \pm to the proposed well location.

2. PLANNED ACCESS ROAD

See Topographic Map "B" for the location of the proposed access road.

3. LOCATION OF EXISTING WELLS

Refer to Exhibit "B".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

Please refer to the Monument Butte Field Standard Operating Procedure (SOP).

5. LOCATION AND TYPE OF WATER SUPPLY

Please refer to the Monument Butte Field SOP. See Exhibit "A".

6. SOURCE OF CONSTRUCTION MATERIALS

Please refer to the Monument Butte Field SOP.

7. METHODS FOR HANDLING WASTE DISPOSAL

Please refer to the Monument Butte Field SOP.

8. ANCILLARY FACILITIES

Please refer to the Monument Butte Field SOP.

9. **WELL SITE LAYOUT**

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

10. **PLANS FOR RESTORATION OF SURFACE**

Please refer to the Monument Butte Field SOP.

11. **SURFACE OWNERSHIP** - Bureau Of Land Management

12. **OTHER ADDITIONAL INFORMATION**

The Paleontological Resource Survey and Archaeological Resource Survey for this area are attached.

Inland Production Company requests a 60' ROW for the Federal #7-6-9-18 to allow for construction of a 6" gas gathering line, and a 3" poly fuel gas line. Both lines will tie in to the existing pipeline infrastructure. **Refer to Topographic Map "C."**

Inland Production Company also requests a 60' ROW be granted for the Federal #7-6-9-18 to allow for construction of a 3" steel water injection line and a 3" poly water return line. **Refer to Topographic Map "C."**

Water Disposal

Formation water is produced to a steel storage tank. If the production water meets quality guidelines, it is transported to the Ashley, Monument Butte, Jonah, and Beluga water injection facilities by company or contract trucks. Subsequently, the produced water is injected into approved Class II wells to enhance Inland's secondary recovery project.

Water not meeting quality criteria, is disposed at Inland's Pariette #4 disposal well (Sec. 7, T9S R19E) or at State of Utah approved surface disposal facilities.

13. **LESSEE'S OR OPERATORS REPRESENTATIVE AND CERTIFICATION**

Representative

Name: Brad Mecham

Address: Route #3 Box 3630
Myton, UT 84052

Telephone: (435) 646-3721

Certification

Please be advised that INLAND PRODUCTION COMPANY is considered to be the operator of well #7-6-9-18 SW/NE Section 6, Township 9S, Range 18E: Lease UTU-65970 Uintah County, Utah: and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Hartford Accident #4488944.

I hereby certify that the proposed drillsite and access route have been inspected, and I am familiar with the conditions which currently exist; that the statements made in this plan are true

and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Inland Production Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

4/15/03

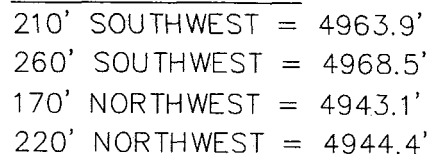
Date

Mandie Crozier

Mandie Crozier

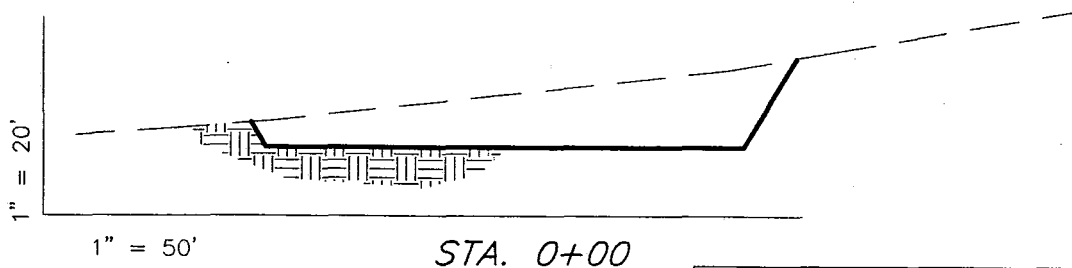
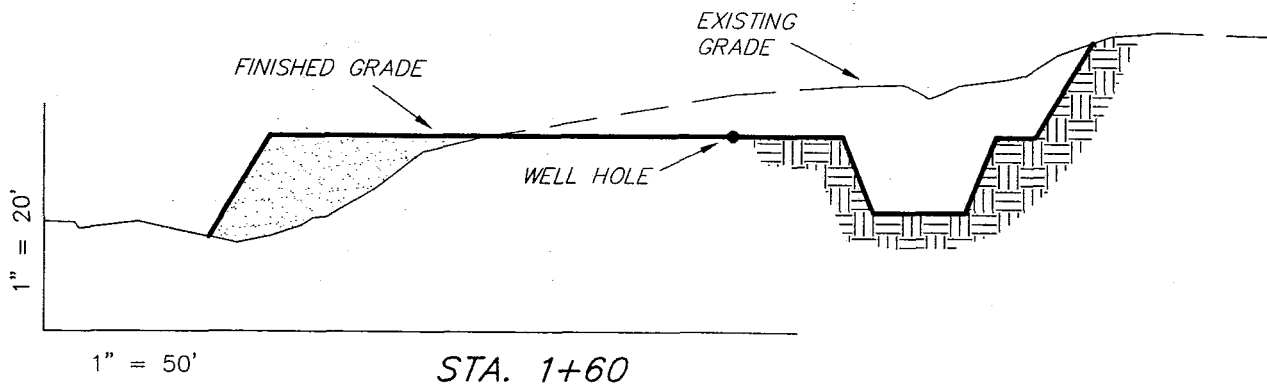
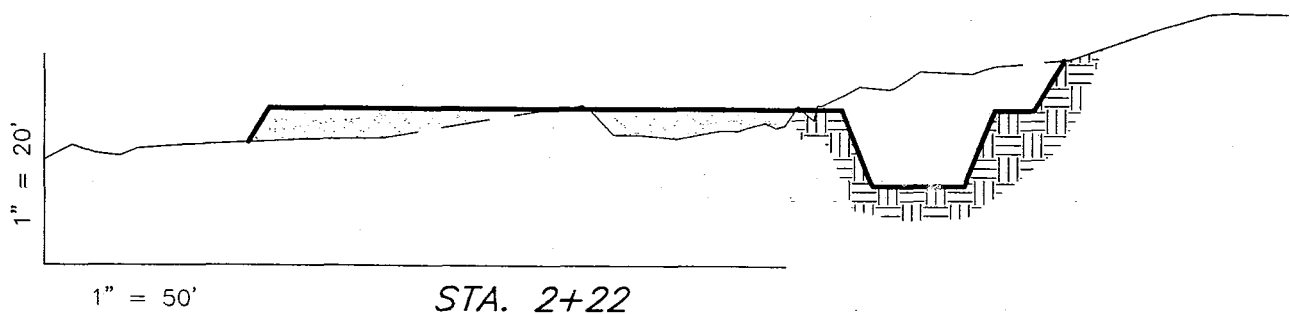
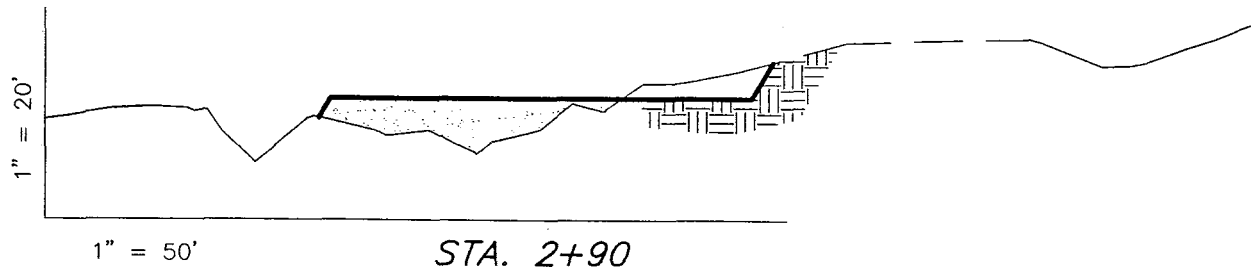
Permit Clerk

FEDERAL 7-6-9-18
Section 6, T9S, R18E, S.L.B.&M.



38 WEST 100 NORTH VERNAL, UTAH 84078

INLAND PRODUCTION COMPANY
CROSS SECTIONS
FEDERAL 7-6-9-18



NOTE:
 UNLESS OTHERWISE NOTED
 ALL CUT/FILL SLOPES ARE
 AT 1.5:1

ESTIMATED EARTHWORK QUANTITIES
 (Expressed in Cubic Yards)

ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	3,770	3,770	Topsoil is not included in Pad Cut	0
PIT	640	0		640
TOTALS	4,410	3,770	890	640

SURVEYED BY: C.D.S.

SCALE: 1" = 50'

DRAWN BY: J.R.S.

DATE: 3-10-03

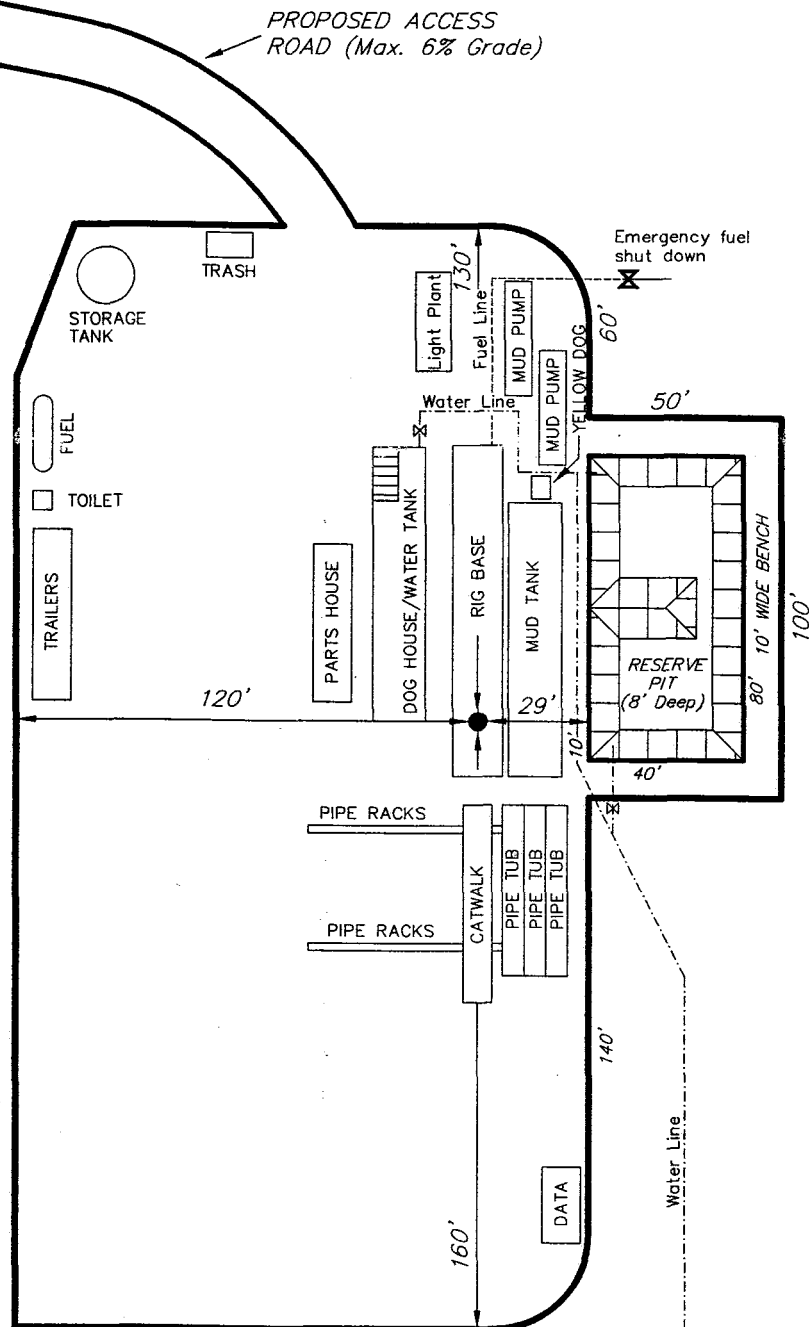
Tri State
 Land Surveying, Inc.
 38 WEST 100 NORTH VERNAL, UTAH 84078

(435) 781-2501

INLAND PRODUCTION COMPANY

TYPICAL RIG LAYOUT

FEDERAL 7-6-9-18



SURVEYED BY: C.D.S.

SCALE: 1" = 50'

DRAWN BY: J.R.S.

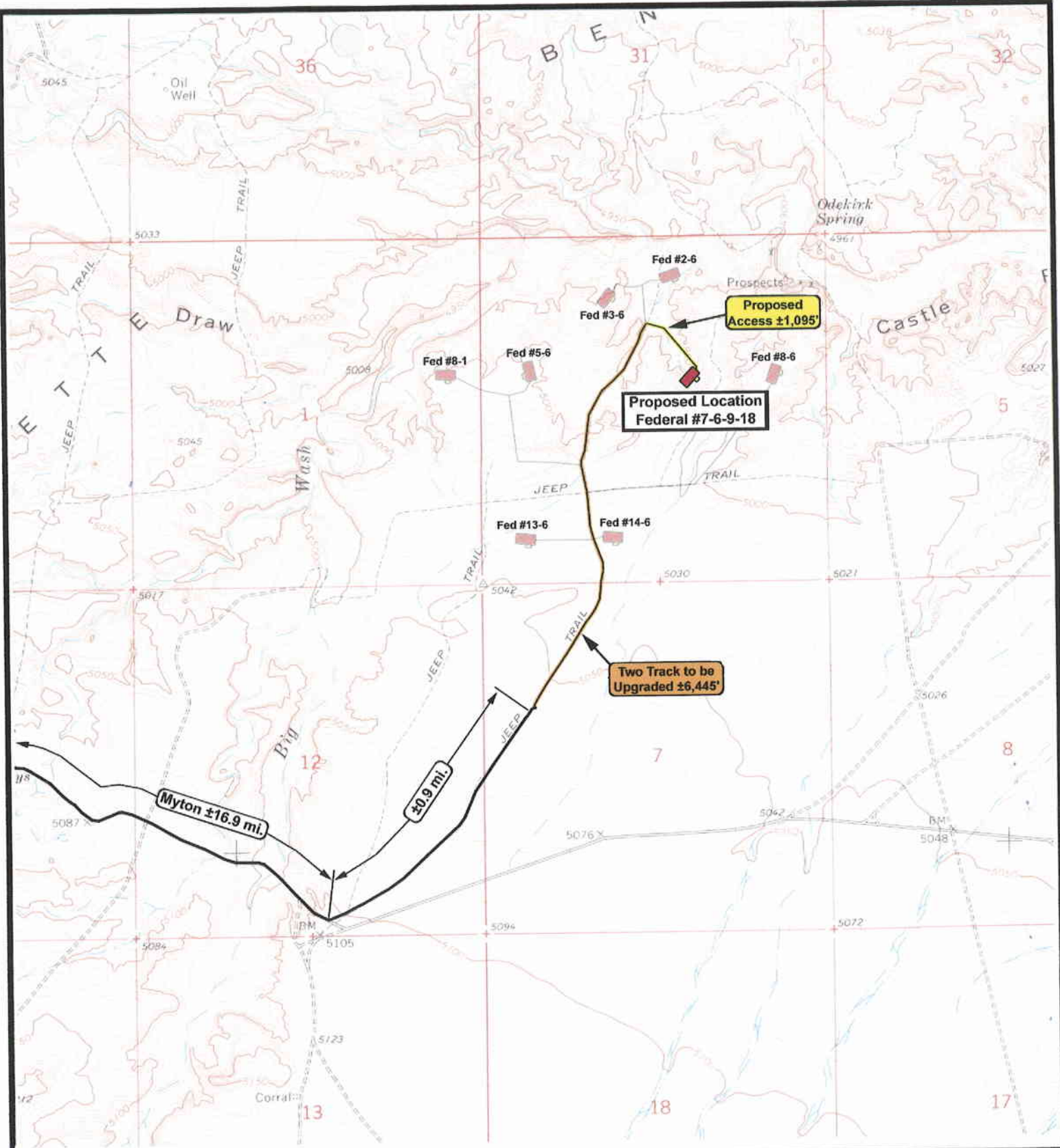
DATE: 3-10-03

Tri State
Land Surveying, Inc.

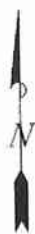
(435) 781-2501

38 WEST 100 NORTH VERNAL, UTAH 84078

"A"



Federal #7-6-9-18
SEC. 6, T9S, R18E, S.L.B.&M.



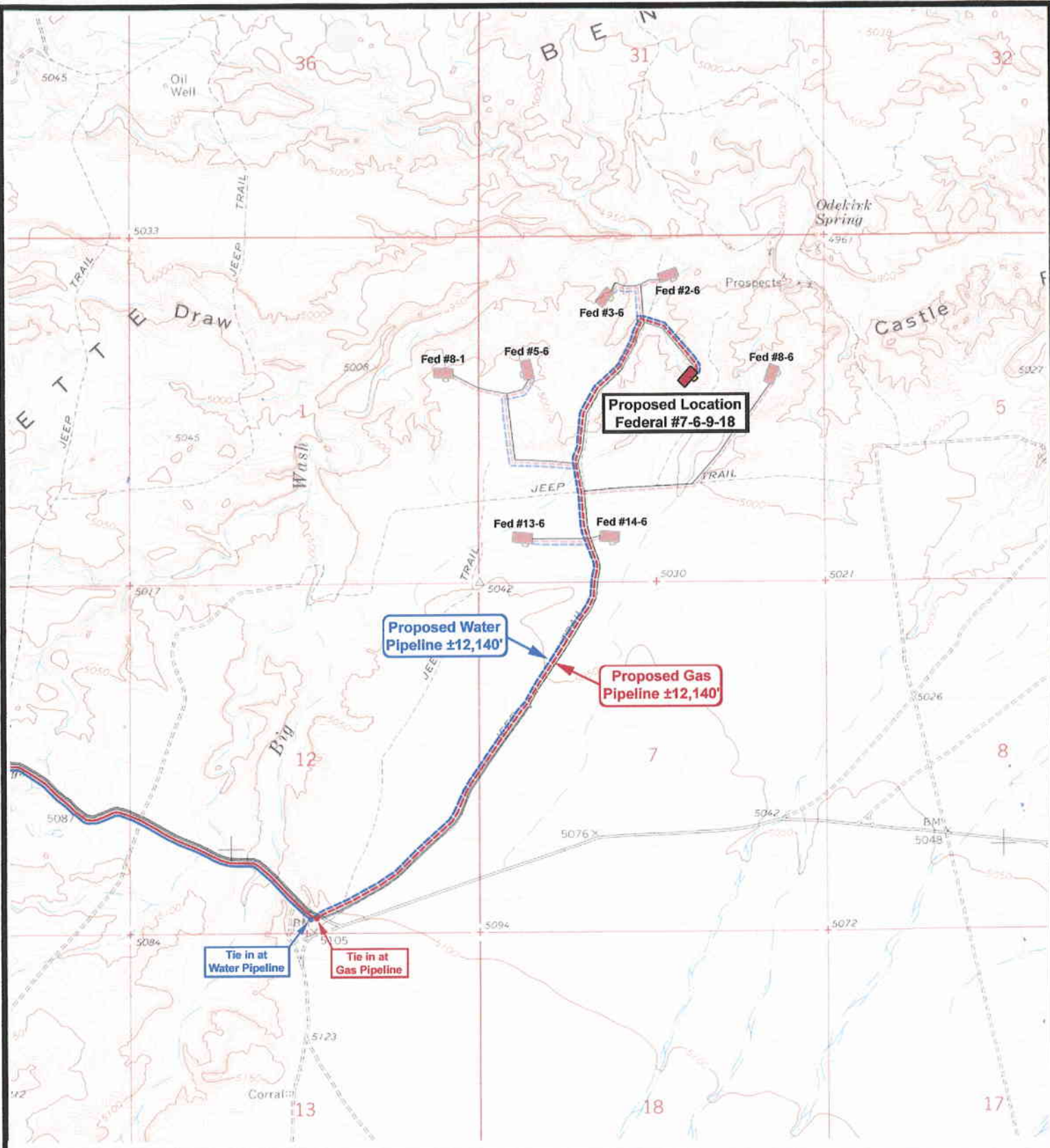
Tri-State
Land Surveying Inc.
 (435) 781-2501
 180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
 DRAWN BY: R.A.B.
 DATE: 03-07-2003

- Legend**
- Existing Road
 - Proposed Access
 - Upgraded Access

TOPOGRAPHIC MAP

"B"



**Gas and Water Pipelines
Federal #7-6-9-18
SEC. 6, T9S, R18E, S.L.B.&M.**



**Tri-State
Land Surveying Inc.**
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

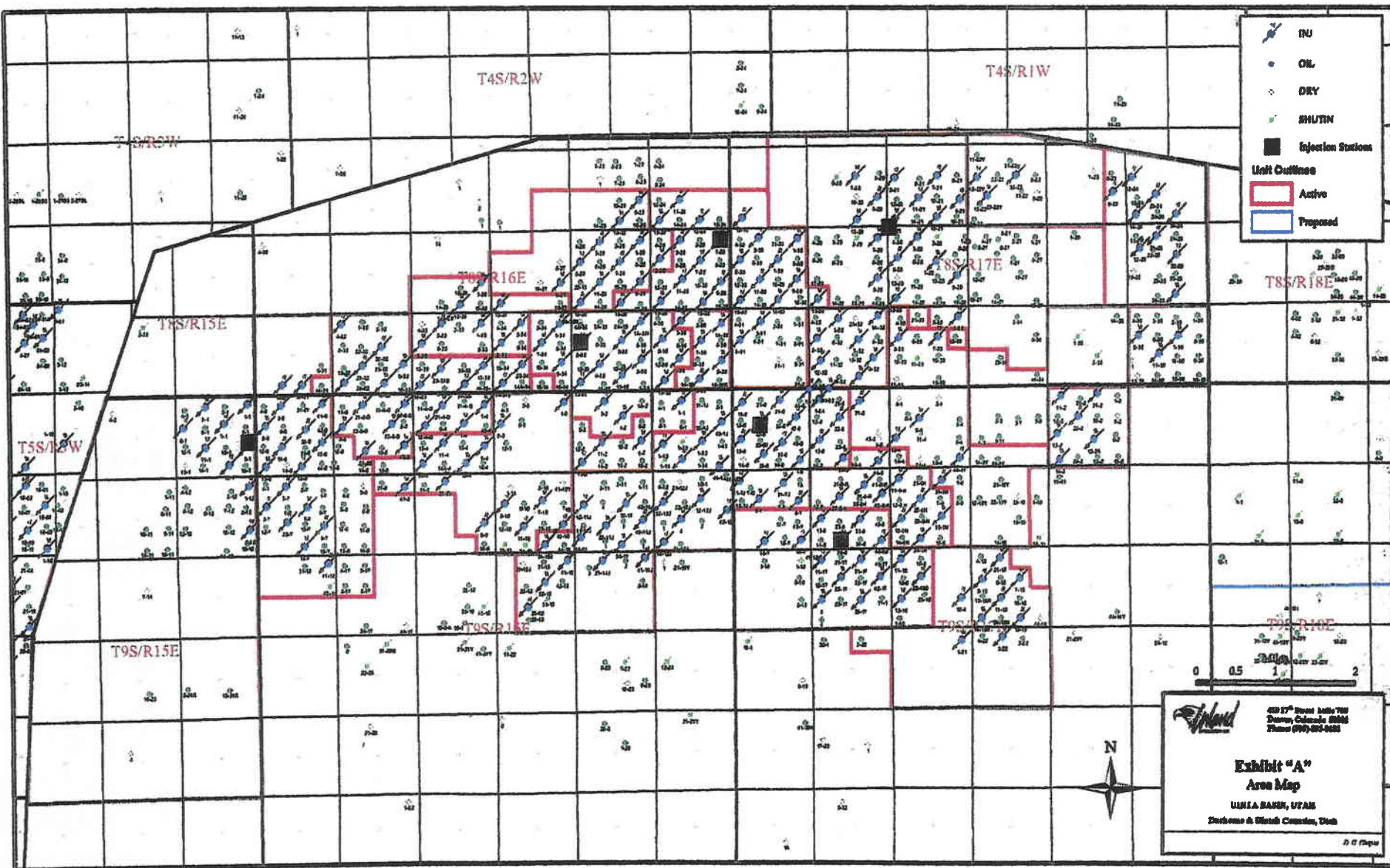
SCALE: 1" = 2,000'
DRAWN BY: R.A.B.
DATE: 03-10-2003

Legend

- Roads
- Existing Gas Line
- - - Proposed Gas Line
- Existing Water Line
- - - Proposed Water Line

TOPOGRAPHIC MAP

"C"



January 15, 2003

ML-44305

UTU-74872

ML-22058

UTU-74404

UTU-79014

UTU-65970

UTU-64806

UTU-74835

UTU-75234

Proposed Location
Federal #7-6-9-18



Federal #7-6-9-18
SEC. 6, T9S, R18E, S.L.B.&M.



*Tri-State
Land Surveying Inc.*
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
DRAWN BY: R.A.B.
DATE: 03-10-2003

Legend

- Well Locations
- One-Mile Radius

Exhibit "B"

2-M SYSTEM

Blowout Prevention Equipment Systems

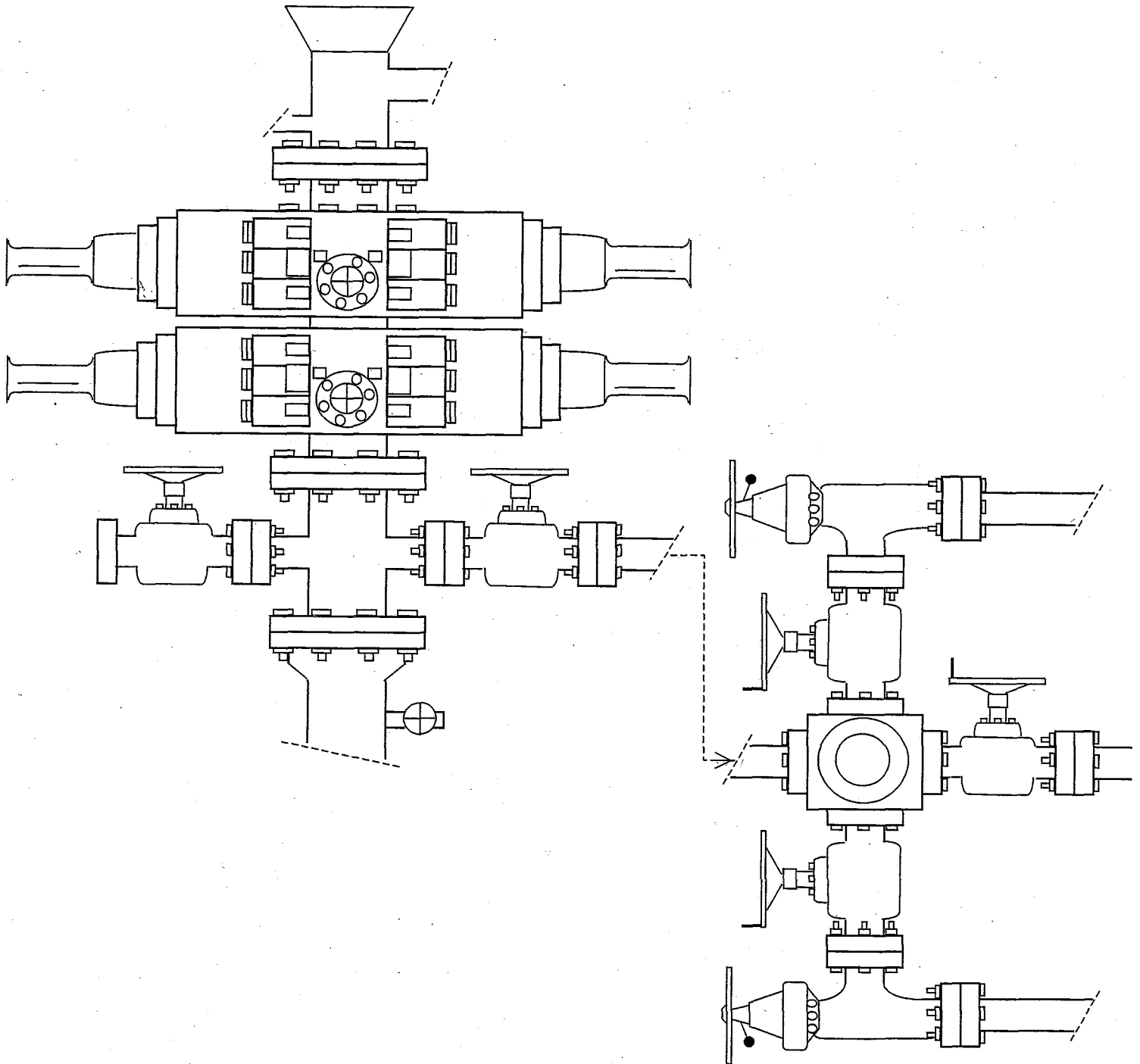


EXHIBIT C

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/17/2003

API NO. ASSIGNED: 43-047-34934

WELL NAME: FEDERAL 7-6-9-18

OPERATOR: Newfield Prod Co (N2695)

CONTACT: MANDIE CROZIER

PHONE NUMBER: 435-646-3721

PROPOSED LOCATION:

SWNE 06 090S 180E

SURFACE: 2553 FNL 1910 FEL

BOTTOM: 2553 FNL 1910 FEL

UINTAH

8 MILE FLAT NORTH (590)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-65970

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: GRRV

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 40.06024

LONGITUDE: 109.93309

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. 4488944)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. MUNICIPAL)
☒ RDCC Review (Y/N)
(Date: _____)
☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

____ R649-2-3.
Unit _____
____ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
____ R649-3-3. Exception
____ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
____ R649-3-11. Directional Drill

COMMENTS:

See Separate Files

STIPULATIONS:

1- Federal Approval
2- Spacing Strip

004

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/17/2003

API NO. ASSIGNED: 43-047-34934

WELL NAME: FEDERAL 7-6-9-18

OPERATOR: INLAND PRODUCTION (N5160)

CONTACT: MANDIE CROZIER

PHONE NUMBER: 435-646-3721

PROPOSED LOCATION:

SWNE 06 090S 180E

SURFACE: 2203 FNL 2021 FEL

BOTTOM: 2203 FNL 2021 FEL

UINTAH

8 MILE FLAT NORTH (590)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-65970

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: GRRV

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 40.06120

LONGITUDE: 109.93348

RECEIVED AND/OR REVIEWED:

☒ Plat☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. 4488944)☒ Potash (Y/N)☒ Oil Shale 190-5 (B) or 190-3 or 190-13☒ Water Permit
(No. MUNICIPAL)☒ RDCC Review (Y/N)
(Date:)☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

R649-2-3.

Unit

R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

☒ R649-3-3. Exception

Drilling Unit

Board Cause No:

Eff Date:

Siting:

R649-3-11. Directional Drill

COMMENTS: SOP, Separate fileSTIPULATIONS: 1- federal approval
2- Spacing Strip



May 1, 2003

Ms. Lisha Cordova
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114

RE: Application for Location Exception
Federal #7-6-9-18
T9S, R18E, S.L.M.
Section 1: SW/4 NE/4) 2021' FEL and 2203' FNL
Uintah County, Utah

Dear Ms. Cordova:

Inland Production Company hereby requests administrative approval for a location exception to Rule R649-3-2 governing the location of wells.


Said Rule states that every well should be in the center of the 40-acre quarter/quarter section with a 200-foot tolerance. The captioned well is proposed to be drilled approximately 18' outside of the prescribed 400 foot window due to the local topography.

Inasmuch as the proposed well remains more than 460' from the lease boundary, only the other working interest owners in said well, Yates Petroleum Corporation, Yates Drilling Company, Abo Petroleum Corporation, and Myco Industries, Inc. are affected according to the above rule. Their consents to this location exception are attached.

Please contact me if you have any questions. My direct number is (303) 382-4422.

Sincerely yours,

INLAND PRODUCTION COMPANY


Jeff Fandrich
Manager of Land

CC: Ms. Pat Sutton
Bureau of Land Management
170 South 500 East
Vernal Utah 84078-2799

Ms. Bonnie Floore
Yates Petroleum Corporation, et al
105 South Fourth Street
Artesia, NM 88210-2118

RECEIVED

MAY 05 2003

DIV. OF OIL, GAS & MINING

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1926 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

April 25, 2003

Via: Facsimile (303-893-0103)

Inland Production Company
Attn: Jeff Fandrich
410 - 17th Street, Suite 700
Denver, CO 80202

Re: Exception Locations
Federal #2-6-9-18
Federal #3-6-9-18
Federal #7-6-9-18
Federal #2-1-9-17
Uintah County, Utah

Gentlemen:

Further to your facsimile of April 25, 2003, please be advised that Yates Petroleum Corporation, Yates Drilling Company, Abo Petroleum Corporation and Myco Industries, Inc. are all in agreement with the exception locations as outlined in your letter covering the captioned wells.

I trust this is the information you require. If you have any questions, or require anything further, please do not hesitate contacting me at 505-748-4334.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Bonnie Floore
Associate Landman

RECEIVED

MAY 05 2003

DIV OF OIL, GAS & MINING



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

(801) 538-5340 telephone

(801) 359-3940 fax

(801) 538-7223 TTY

www.nr.utah.gov

Michael O. Leavitt
Governor

Robert L. Morgan
Executive Director

Lowell P. Braxton
Division Director

May 6, 2003

Inland Production Company
Route #3, Box 3630
Myton, UT 84052

Re: Federal 7-6-9-18 Well, 2203' FNL, 2021' FEL, SW NE, Sec. 6, T. 9 South, R. 18 East,
Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-34934.

Sincerely,

A handwritten signature in black ink, appearing to read 'John R. Baza'.

John R. Baza
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Inland Production Company
Well Name & Number Federal 7-6-9-18
API Number: 43-047-34934
Lease: UTU-65970

Location: SW NE Sec. 6 T. 9 South R. 18 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: INLAND PRODUCTION COMPANY

Well Name: FEDERAL 7-6-9-18

Api No: 43-047-34934 Lease Type: FEDERAL

Section 06 Township 09S Range 18E County UINTAH

Drilling Contractor ROSS RIG # 15

SPUDDED:

Date 04/15/04

Time

How DRY

Drilling will commence:

Reported by PAT WISENER

Telephone # 1-435-823-7468

Date 04/20/2004 Signed CHD

Form 3160-3
(September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

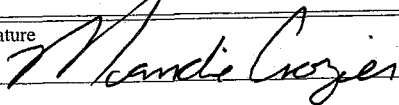
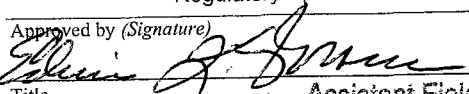
5. Lease Serial No. UTU-65970
6. If Indian, Allottee or Tribe Name N/A
7. If Unit or CA Agreement, Name and No. N/A
8. Lease Name and Well No. Federal 7-6-9-18
9. API Well No. 43-047-34934
10. Field and Pool, or Exploratory Eight Mile Flat
11. Sec., T., R., M., or Blk. and Survey or Area SW/NE Sec. 6, T9S R18E
12. County or Parish Uintah
13. State UT

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone
2. Name of Operator Inland Production Company
3a. Address Route #3 Box 3630, Myton UT 84052
3b. Phone No. (include area code) (435) 646-3721
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SW/NE 2553' FNL 1910' FEL At proposed prod. zone
14. Distance in miles and direction from nearest town or post office* Approximatley 18.7 miles southeast of Myton, Utah
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) Approx. 1407' f/lse, NA f/unit
16. No. of Acres in lease 1,036.24
17. Spacing Unit dedicated to this well 40 Acres
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Approx. 1554'
19. Proposed Depth 6500'
20. BLM/BIA Bond No. on file #4488944
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4996' GL
22. Approximate date work will start* 3rd Quarter 2004
23. Estimated duration Approximately seven (7) days from spud to rig release.

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed/Typed) Mandie Crozier	Date 3/22/04
Title Regulatory Specialist		
Approved by (Signature) 	Name (Printed/Typed) EDWIN J ERDMAN	Date 4/5/04
Title Assistant Field Manager Mineral Resources	Office	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

NOTICE OF APPROVAL

RECEIVED

APR 15 2004

DIV. OF OIL, GAS & MINING

CONDITIONS OF APPROVAL ATTACHED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. UTU-65970	
1b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A	
2. NAME OF OPERATOR Inland Production Company		7. UNIT AGREEMENT NAME N/A	
3. ADDRESS OF OPERATOR Route #3 Box 3630, Myton, UT 84052 Phone: (435) 646-3721		8. FARM OR LEASE NAME WELL NO Federal #7-6-9-18	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At Surface SW/NE 2203' FNL 2021' FEL At proposed Prod. Zone		9. API WELL NO.	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 18.0 miles southeast of Myton, Utah		10. FIELD AND POOL OR WILDCAT Eight Mile Flat	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to - Approx. 1757' f/lse line		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA SW/NE Sec. 6, T9S, R18E	
16. NO. OF ACRES IN LEASE By 1,036.24		12. County Uintah	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		13. STATE UT	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. Approx. 1315'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4957' GR		APPROX. DATE WORK WILL START* d Quarter 2003	

23. PROPOSED CASING AND CEMENTING

SIZE OF HOLE	SIZE OF CASING
Refer to Monument Butte Field SOP's Drill	

OLD APD

QUANTITY OF CEMENT

Inland Production Company proposes

hibits.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Wendie Crozier TITLE Regulatory Specialist DATE 4/15/03

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Inland Production Company.

Well Name & Number: Federal 7-6-9-18

API Number 43-047-34934

Lease Number: U-65970

Location: SWNE Sec. 6 T.9S R. 18E

Agreement: N/A

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

**Please submit to this office, in LAS format, an electronic copy of all logs run on this well
This submission will replace the requirement for submittal of paper logs to the BLM.**

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Ed Forsman (435) 828-7874
Petroleum Engineer

Kirk Fleetwood (435) 828-7875
Petroleum Engineer

BLM FAX Machine (435) 781-4410

**CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL**

-No construction or drilling shall be allowed during the ferruginous hawk nesting season (March 1 to July 15), without first consulting the BLM biologist. If the nest is inactive, drilling will be allowed.

-A BLM approved paleontologist shall monitor all areas of bedrock exposure during the construction of the access road and well pad.

-To reduce noise levels in the area, a hospital muffler or multi-cylinder engine shall be installed on the pumping unit.

-The reserve pit shall be lined with felt prior to installing the one piece, nylon reinforced plastic liner.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.

UTU-65970

6. If Indian, Allottee or Tribe Name

NA

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

FEDERAL 7-6-9-18

9. API Well No.

43-047-34934

10. Field and Pool, or Exploratory Area

EIGHT MILE FLAT NORTH

11. County or Parish, State

UINTAH COUNTY, UT

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

INLAND PRODUCTION COMPANY

3. Address and Telephone No.

Rt. 3 Box 3630, Myton Utah, 84052 435-646-3721

4. Location of Well (Footage, Sec., T., R., m., or Survey Description)

2553 FNL 1910 FEL SW/NE Section 6, T9S R18E

12. **CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other **Spud Notice**

☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

On 4-15-04 MIRU Ross # 15. Drill 307' of 12 1/4" hole with air mist. TIH W/ 7 Jt's 8 5/8" J-55 24 # csgn. Set @ 315' KB On 4-16-04 cement with 150 sks of class "G" w/ 3% CaCL2 + 1/4# sk Cello- Flake Mixed @ 15.8 ppg > 1.17 cf/ sk yeild. Returned 4.5 bbls cement to pit. WOC.

RECEIVED

APR 20 2004

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Signed

Ray Herrera
Ray Herrera

Title

Drilling Foreman

Date

4/17/04

CC: UTAH DOGM

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

CC: Utah DOGM

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

INLAND PRODUCTION COMPANY - CASING & CEMENT REPORT

8 5/8 CASING SET AT 315.05

LAST CASING 8 5/8" SET AT 315'
 DATUM 12' KB
 DATUM TO CUT OFF CASING _____
 DATUM TO BRADENHEAD FLANGE _____
 TD DRILLER 307 LOGGER _____
 HOLE SIZE 12 1/4

OPERATOR Inland Production Company
 WELL Federal 7-6-9-18
 FIELD/PROSPECT Monument Butte
 CONTRACTOR & RIG # Ross # 15

LOG OF CASING STRING:

PIECES	OD	ITEM - MAKE - DESCRIPTION	WT / FT	GRD	THREAD	CONDT	LENGTH
		43.43' SH jt					
		WHI - 92 csg head			8rd	A	0.95
7	8 5/8"	Maverick ST&C csg	24#	J-55	8rd	A	303.2
		GUIDE shoe			8rd	A	0.9

CASING INVENTORY BAL.	FEET	JTS	TOTAL LENGTH OF STRING	305.05
TOTAL LENGTH OF STRING	305.05	7	LESS CUT OFF PIECE	2
LESS NON CSG. ITEMS	1.85		PLUS DATUM TO T/CUT OFF CSG	12
PLUS FULL JTS. LEFT OUT	0		CASING SET DEPTH	315.05

TOTAL	303.2	7	} COMPARE	
TOTAL CSG. DEL. (W/O THRDS)	303.2	7		
TIMING	1ST STAGE			
BEGIN RUN CSG. Spud	4/15/04	12:00 PM	GOOD CIRC THRU JOB	YES
CSG. IN HOLE			Bbls CMT CIRC TO SURFACE	4.5 bbls cement to pit
BEGIN CIRC			RECIPROCATED PIPE	N/A
BEGIN PUMP CMT			DID BACK PRES. VALVE HOLD ?	N/A
BEGIN DSPL. CMT			BUMPED PLUG TO	750 PSI
PLUG DOWN	Cemented	4/16/04		

CEMENT USED	CEMENT COMPANY- B. J.		
STAGE	# SX	CEMENT TYPE & ADDITIVES	
1	150	Class "G" w/ 2% CaCL2 + 1/4#/sk Cello-Flake mixed @ 15.8 ppg 1.17 cf/sk yield	

RECEIVED

CENTRALIZER & SCRATCHER PLACEMENT	SHOW MAKE & SPACING	APR 20 2004
Centralizers - Middle first, top second & third for 3		
DIV. OF OIL, GAS & MINING		

COMPANY REPRESENTATIVE Ray Herrera DATE 4/16/04

RECEIVED

APR 22 2004

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
ENTITY ACTION FORM - FORM 6

DIV. OF OIL, GAS & MINING

OPERATOR: INLAND PRODUCTION COMPANY
ADDRESS: RT. 3 BOX 3630
MYTON, UT 84052

OPERATOR ACCT. NO. N5160

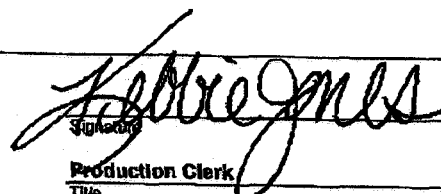
ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	14125	43-013-32372	Fence line Federal 5-19-8-17	SW/NW	19	8S	17E	Duchesne	April 14, 2004	4/27/04
WELL 1 COMMENTS: GRVU											
A	99999	14126	43-047-34934	Federal 7-6-9-18	SW/NE	6	9S	18E	Uintah	April 15, 2004	4/27/04
WELL 2 COMMENTS: GRVU											
A	99999	14127	43-047-35184	Federal 11-6-9-18	NE/SW	6	9S	18E	Uintah	April 19, 2004	4/27/04
WELL 3 COMMENTS: GRVU											
ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
WELL 4 COMMENTS:											
ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/99)

Production Clerk
TitleApril 22, 2004
DateKebbia S. Jones
Signature

K

K

K

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.

UTU-65970

6. If Indian, Allottee or Tribe Name

NA

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

FEDERAL 7-6-9-18

9. API Well No.

43-040-34934

10. Field and Pool, or Exploratory Area

EIGHT MILE FLAT NORTH

11. County or Parish, State

UINTAH COUNTY, UT

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

INLAND PRODUCTION COMPANY

3. Address and Telephone No.

Rt. 3 Box 3630, Myton Utah, 84052 435-646-3721

4. Location of Well (Footage, Sec., T., R., m., or Survey Description)

2553 FNL 1910 FEL SW/NE Section 6, T9S R18E

CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Weekly Status Report

☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

On 04/19/04. MIRU Eagle rig # 1. Set equipment. Pressure test Bop's, Kelly, & TIW to 2,000 psi. Test 85/8" csgn to 1,500 psi. Vernal BLM office was notified of test. PU BHA and tag cement @ 255'. Drill out cement & shoe. Continue to drill a 77/8" hole with fresh water to a depth of 6013'. Lay down drill string, BHA. Open hole log from TD to surface. PU & MU guide shoe, 1 jt 51/2" J-55 15.5 # csgn. Float collar, & 134 Jt's 51/2" J-55 15.5# csgn. Set @ 5990' KB. Cement with 300 sks Prem Lite II w/ 3% KCL, 10 % Gel, 3#"s sk CSE, 2#"s sk Kolseal, .5% Sms, 1/2# sks Celloflake. Mixed @ 11.0 ppg, >3.42 yld. Followed by 400 sks 50/50 Poz w/ 3% KCL, 2% Gel, .05% Static free, 1/4# sk Celloflake. Mixed @ 14.4 ppg, > 1.24 yld. Drop plug displace with 141 bbls fresh water, 14 BBLS cement to surface. Nipple down BOP's. set slips @ 70,000. EST. Cement top@ surface.

14. I hereby certify that the foregoing is true and correct

Signed

Floyd Mitchell

Title

Drilling Foreman

Date

04/23/04

Floyd Mitchell

CC: UTAH DOGM

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

CC: Utah DOGM

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED

APR 28 2004

DIV. OF OIL, GAS & MINING

INLAND PRODUCTION COMPANY - CASING & CEMENT REPORT

5 1/2" CASING SET AT 5990.69

Flt cllr @ 5965'

LAST CASING 8 5/8" SET AT 315'

OPERATOR Inland Production Company

DATUM 12' KB

WELL Federal 7-6-9-18

DATUM TO CUT OFF CASING 12

FIELD/PROSPECT Monument Butte

DATUM TO BRADENHEAD FLANGE

CONTRACTOR & RIG # Eagle # 1

TD DRILLER 6300' LOGGER

HOLE SIZE 7 7/8"

LOG OF CASING STRING:

PIECES	OD	ITEM - MAKE - DESCRIPTION	WT / FT	GRD	THREAD	CONDT	LENGTH
		Landing Jt					14
		37' @ 4029'					
134	5 1/2"	IPS LT & C casing	15.5#	J-55	8rd	A	5953.39
		Float collar					* 0.6
1	5 1/2"	IPS LT&C csg	15.5#	J-55	8rd	A	24.05
		GUIDE shoe			8rd	A	0.65
CASING INVENTORY BAL.		FEET	JTS	TOTAL LENGTH OF STRING			5992.69
TOTAL LENGTH OF STRING		5992.69	135	LESS CUT OFF PIECE			14
LESS NON CSG. ITEMS		15.25		PLUS DATUM TO T/CUT OFF CSG			12
PLUS FULL JTS. LEFT OUT		89.27	2	CASING SET DEPTH			5990.69
TOTAL		6066.71	137	} COMPARE			
TOTAL CSG. DEL. (W/O THRDS)		6066.71	137				
TIMING		1ST STAGE	2nd STAGE				
BEGIN RUN CSG.		4/22/2004	7:00 PM	GOOD CIRC THRU JOB		Yes	
CSG. IN HOLE		4/22/2004	10:00 PM	Bbls CMT CIRC TO SURFACE		14 bbls	
BEGIN CIRC		4/22/2004	10:00 PM	RECIPROCATED PIPE I N/A		THRUSTROKE	
BEGIN PUMP CMT		4/22/2004	11:00 PM	DID BACK PRES. VALVE HOLD ?		Yes	
BEGIN DSPL. CMT		4/23/2004	12:15 AM	BUMPED PLUG TO		1540	PSI
PLUG DOWN		4/23/2004	12:44 AM				

CEMENT USED		CEMENT COMPANY- B. J.
STAGE	# SX	CEMENT TYPE & ADDITIVES
1	300	Premlite II w/ 10% gel + 3 % KCL, 3#s /sk CSE + 2# sk/kolseal + 1/2#s/sk Cello Flake
		mixed @ 11.0 ppg W / 3.43 cf/sk yield
2	400	50/50 poz W/ 2% Gel + 3% KCL, .5%EC1,1/4# sk C.F. 2% gel. 3% SM mixed @ 14.4 ppg W/ 1.24 YLD
CENTRALIZER & SCRATCHER PLACEMENT		SHOW MAKE & SPACING
Centralizers - Middle first, top second & third. Then every third collar for a total of 20.		

COMPANY REPRESENTATIVE Floyd Mitchell

DATE 4/23/2004 **RECEIVED**

APR 28 2004

DIV. OF OIL, GAS & MINING



March 22, 2004

State of Utah
Division of Oil, Gas & Mining
Attn: Diana Whitney
1594 West North Temple - Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Amended Application for Permit to Drill, Federal #7-6-9-18.

Dear Diana:

Enclosed find the amended APD on the Federal #7-6-9-18. Since submission the location had to be moved in order to avoid a Paleo site. The well location footages have changed to 2553' FNL and 1910' FEL. Distance to the nearest well is now 1554'. Distance from well to nearest property or lease line is approx. 1407' f/lse line. The elevation is now 4996' GL. There have also been some changes to the access road and gas and water lines. If you have any questions, feel free to give either Brad or myself a call.

Sincerely,

Mandie Crozier
Regulatory Specialist

enclosures

RECEIVED
MAR 23 2004
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

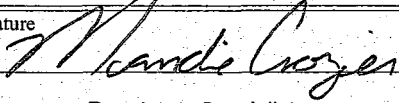
FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-65970
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator Inland Production Company		7. If Unit or CA Agreement, Name and No. N/A
3a. Address Route #3 Box 3630, Myton UT 84052	3b. Phone No. (include area code) (435) 646-3721	8. Lease Name and Well No. Federal 7-6-9-18
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SW/NE 2553' FNL 1910' FEL 4434778Y 40.06054 At proposed prod. zone 590994Y -109.93309		9. API Well No. 43-047-34934
10. Field and Pool, or Exploratory Eight Mile Flat		11. Sec., T., R., M., or Blk. and Survey or Area SW/NE Sec. 6, T9S R18E
12. Distance in miles and direction from nearest town or post office* Approximatley 18.7 miles southeast of Myton, Utah		12. County or Parish Uintah
13. State UT		
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) Approx. 1407' f/se, NA f/unit	16. No. of Acres in lease 1,036.24	17. Spacing Unit dedicated to this well 40 Acres
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Approx. 1554'	19. Proposed Depth 6500'	20. BLM/BIA Bond No. on file #4488944
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4996' GL	22. Approximate date work will start* 3rd Quarter 2004	23. Estimated duration Approximately seven (7) days from spud to rig release.

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed/Typed) Mandie Crozier	Date 3/22/04
Title Regulatory Specialist		
Approved by (Signature)	Name (Printed/Typed)	Date
Title	Office	

Application approval does not warrant or certify the the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

RECEIVED
MAR 23 2004
DIV. OF OIL, GAS & MINING

T9S, R18E, S.L.B.&M.

INLAND PRODUCTION COMPANY

Corner Missing:
(Position Double
Proportioned)

N89°59'E - 79.40 (G.L.O.)

N89°56'05"E - 2597.21' (Meas.)

N89°56'05"E - 2636.76' (Meas.)

N00°04'35"W - 2641.81' (Meas.)

S00°07'18"E - 2649.42' (Meas.)

NORTH - 80.00 (G.L.O.)
2642.58' (Measured)
NORTH G.L.O. (Basis of Bearings)

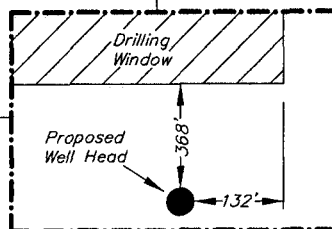
S00°03'E - 79.98 (G.L.O.)
S00°15'24"E - 2638.20' (Meas.)

Lot 4

Lot 3

Lot 2

Lot 1



Lot 5
1910 Brass Cap

6

1910'

1910 Brass Cap

Lot 6

**WELL LOCATION:
FEDERAL 7-6-9-18**

ELEV. UNGRADED GROUND = 4995.5'

Lot 7

1910 Brass Cap

N89°59'19"E - 2606.84' (Meas.)

N89°57'04"E - 2641.05' (Meas.)

N89°58'E - 79.50 (G.L.O.)

1910 Brass Cap

1910 Brass Cap



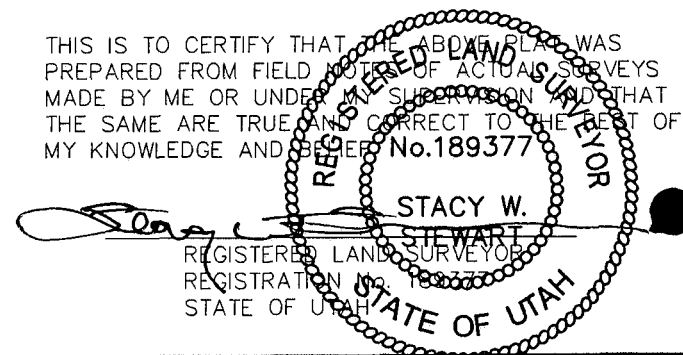
= SECTION CORNERS LOCATED

BASIS OF ELEV; U.S.G.S. 7-1/2 min QUAD (PARIETTE DRAW SW)

WELL LOCATION, FEDERAL 7-6-9-18,
LOCATED AS SHOWN IN THE SW 1/4 NE:
1/4 OF SECTION 6, T9S, R18E, S.L.B.&M.
UINTAH COUNTY, UTAH.



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS
PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS
MADE BY ME OR UNDER MY SUPERVISION AND THAT
THE SAME ARE TRUE AND CORRECT TO THE BEST OF
MY KNOWLEDGE AND BELIEF. No.189377



TRI STATE LAND SURVEYING & CONSULTING
180 NORTH VERNAL AVENUE - VERNAL, UTAH 84078
(435) 781-2501

SCALE: 1" = 1000'

SURVEYED BY: D.J.S.

DATE: 3-8-04

DRAWN BY: J.R.S.

NOTES:

FILE #

INLAND PRODUCTION COMPANY
FEDERAL #7-6-9-18
SW/NE SECTION 6, T9S, R18E
UINTAH COUNTY, UTAH

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. GEOLOGIC SURFACE FORMATION:

Uinta formation of Upper Eocene Age

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

Uinta	0' – 1640'
Green River	1640'
Wasatch	5950'

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS:

Green River Formation 1640' – 6500' - Oil

4. PROPOSED CASING PROGRAM

Please refer to the Monument Butte Field Standard Operation Procedure (SOP).

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

Please refer to the Monument Butte Field SOP. See Exhibit "C".

6. TYPE AND CHARACTERISTICS OF THE PROPOSED CIRCULATION MUDS:

Please refer to the Monument Butte Field SOP.

7. AUXILIARY SAFETY EQUIPMENT TO BE USED:

Please refer to the Monument Butte Field SOP.

8. TESTING, LOGGING AND CORING PROGRAMS:

Please refer to the Monument Butte Field SOP.

9. ANTICIPATED ABNORMAL PRESSURE OR TEMPERATURE:

The anticipated maximum bottom hole pressure is 2000 psi. It is not anticipated that abnormal temperatures will be encountered.

10. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS:

Please refer to the Monument Butte Field SOP.

**INLAND PRODUCTION COMPANY
FEDERAL #7-6-9-18
SW/NE SECTION 6, T9S, R18E
UINTAH COUNTY, UTAH**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. EXISTING ROADS

See attached Topographic Map "A"

To reach Inland Production Company well location site Federal #7-6-9-18 located in the SW 1/4 NE 1/4 Section 6, T9S, R18E, Uintah County, Utah:

Proceed southwesterly out of Myton, Utah along Highway 40 - 1.6 miles \pm to the junction of this highway and UT State Hwy 53; proceed southeasterly along Hwy 53 - 15.3 miles \pm to it's junction with an existing dirt road to the northeast; proceed northeasterly - 1.8 miles \pm to it's junction with an existing road to the east; proceed easterly - 0.2 miles \pm to it's junction with the beginning of the proposed access road; proceed northeasterly along the proposed access road - 1,280' \pm to the proposed well location.

2. PLANNED ACCESS ROAD

See Topographic Map "B" for the location of the proposed access road.

3. LOCATION OF EXISTING WELLS

Refer to Exhibit "B".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

Please refer to the Monument Butte Field Standard Operating Procedure (SOP).

5. LOCATION AND TYPE OF WATER SUPPLY

Please refer to the Monument Butte Field SOP. See Exhibit "A".

6. SOURCE OF CONSTRUCTION MATERIALS

Please refer to the Monument Butte Field SOP.

7. METHODS FOR HANDLING WASTE DISPOSAL

Please refer to the Monument Butte Field SOP.

8. ANCILLARY FACILITIES

Please refer to the Monument Butte Field SOP.

9. **WELL SITE LAYOUT**

See attached Location Layout Diagram.

10. **PLANS FOR RESTORATION OF SURFACE**

Please refer to the Monument Butte Field SOP.

11. **SURFACE OWNERSHIP** - Bureau Of Land Management

12. **OTHER ADDITIONAL INFORMATION**

The Archaeological Resource Survey and Paleontological Resource Survey for this area have been previously submitted and are on file with the Bureau of Land Management. MOAC Report #01-164, 12/7/01. Paleontological Resource Survey prepared by, Wade E. Miller, 3/19/03. See attached report cover pages, Exhibit "D".

Inland Production Company requests a 50' ROW for the Federal #7-6-9-18 to allow for construction of a 6" gas gathering line, and a 3" poly fuel gas line. Both lines will tie in to the existing pipeline infrastructure. **Refer to Topographic Map "C."** For a ROW plan of development, please refer to the Monument Butte Field SOP.

Inland Production Company also requests a 50' ROW be granted for the Federal #7-6-9-18 to allow for construction of a 3" steel water injection line and a 3" poly water return line. **Refer to Topographic Map "C."** For a ROW plan of development, please refer to the Monument Butte Field SOP.

Water Disposal

Immediately upon first production, all produced water will be confined to a steel storage tank. If the production water meets quality guidelines, it is transported to the Ashley, Monument Butte, Jonah, and Beluga water injection facilities by company or contract trucks. Subsequently, the produced water is injected into approved Class II wells to enhance Inland's secondary recovery project.

Water not meeting quality criteria, is disposed at Inland's Pariette #4 disposal well (Sec. 7, T9S R19E) or at State of Utah approved surface disposal facilities.

Reserve Pit Liner

Please refer to the Monument Butte Field SOP.

Location and Reserve Pit Reclamation

Please refer to the Monument Butte Field SOP.

The following seed mixture will be used on the topsoil stockpile, to the recontoured surface of the reserve pit, and for final reclamation: (All poundages are in pure live seed)

Shadscale	<i>Atriplex confertifolia</i>	4 lbs/acre
Scarlet globmallow	<i>Sphaeralcea conccinea</i>	4 lbs/acre
Galleta grass	<i>Hilaria jamesii</i>	4 lbs/acre

Details of the On-Site Inspection

The proposed Federal #7-6-9-18 was reon-sited on 11/24/03 to move the location, in order to avoid a Paleo Site.

13. LESSEE'S OR OPERATORS REPRESENTATIVE AND CERTIFICATION

Representative

Name: Brad Mecham
Address: Route #3 Box 3630
Myton, UT 84052
Telephone: (435) 646-3721

Certification

Please be advised that INLAND PRODUCTION COMPANY is considered to be the operator of well #7-6-9-18 SW/NE Section 6, Township 9S, Range 18E: Lease UTU-65970 Uintah County, Utah: and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Hartford Accident #4488944.

I hereby certify that the proposed drillsite and access route have been inspected, and I am familiar with the conditions which currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Inland Production Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

3/22/04

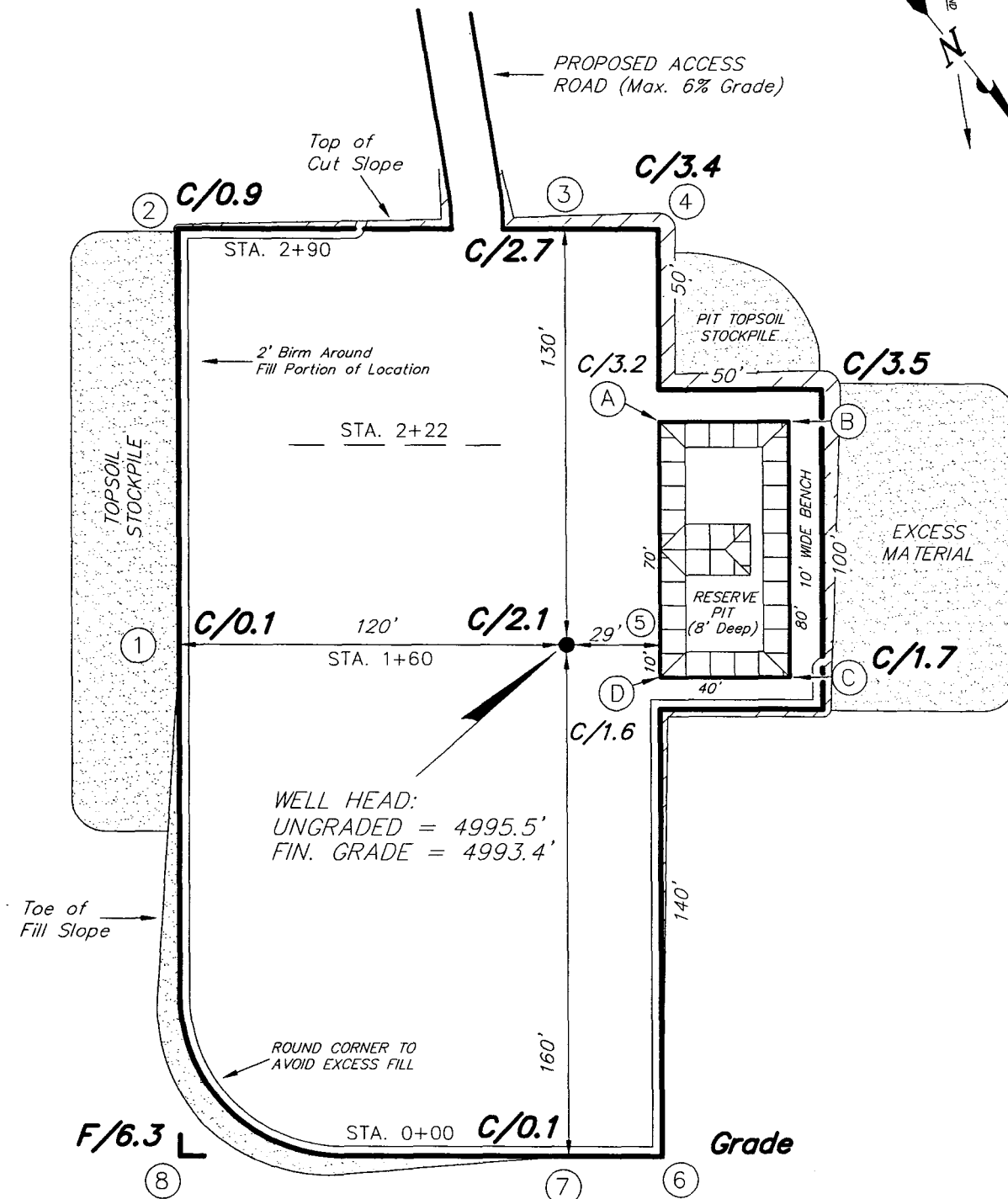
Date

Mandie Crozier
Mandie Crozier
Regulatory Specialist

INLAND PRODUCTION COMPANY

FEDERAL 7-6-9-18

Section 6, T9S, R18E, S.L.B.&M.



REFERENCE POINTS

170' SOUTHEAST = 4991.1'

220' SOUTHEAST = 4988.4'

$$210' \text{ NORTHEAST} = 4992.8'$$

260' NORTHEAST = 4991.6'

SURVEYED BY: D.J.S.

SCALE: 1" = 50'

DRAWN BY: J.R.S.

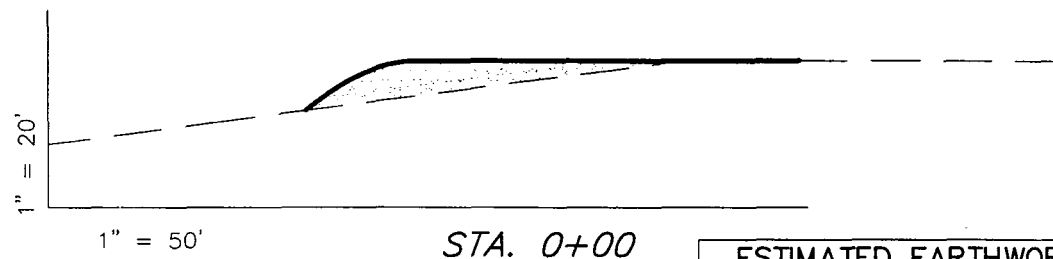
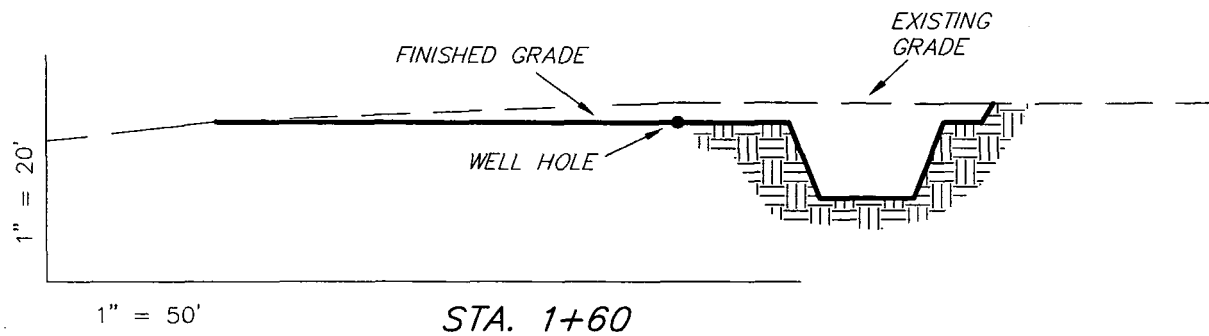
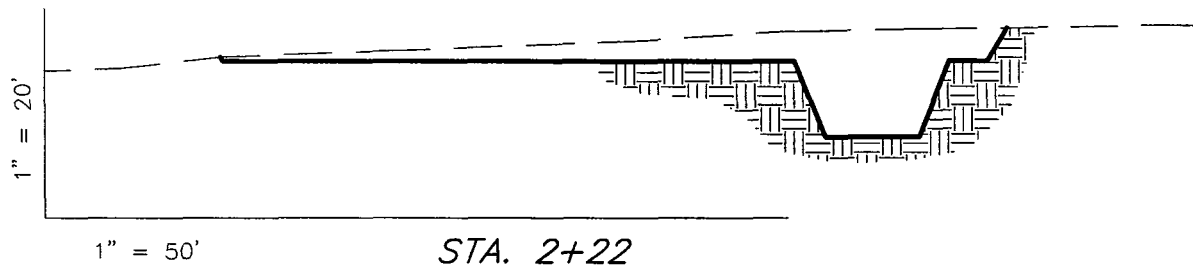
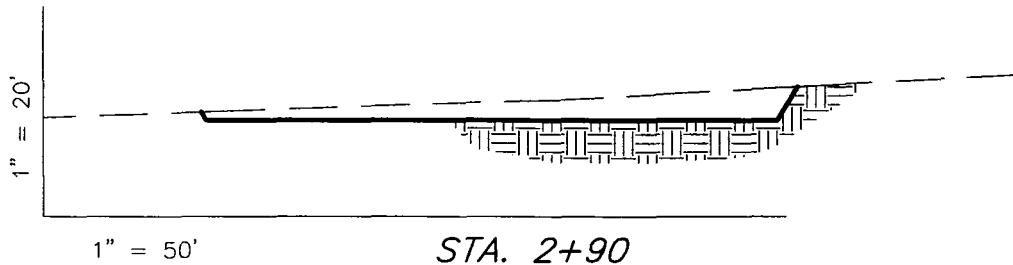
DATE: 3-8-04

Tri State (4)
Land Surveying, Inc.

(435) 781-2501

180 NORTH VERNAL AVE. VERNAL, UTAH 84078

INLAND PRODUCTION COMPANY
CROSS SECTIONS
FEDERAL 7-6-9-18



NOTE:
UNLESS OTHERWISE NOTED
ALL CUT/FILL SLOPES ARE
AT 1.5:1

ESTIMATED EARTHWORK QUANTITIES
(No Shrink or swell adjustments have been used)
(Expressed in Cubic Yards)

ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	1,410	1,410	Topsoil is not included in Pad Cut	0
PIT	640	0		640
TOTALS	2,050	1,410	890	640

SURVEYED BY: D.J.S.

SCALE: 1" = 50'

DRAWN BY: J.R.S.

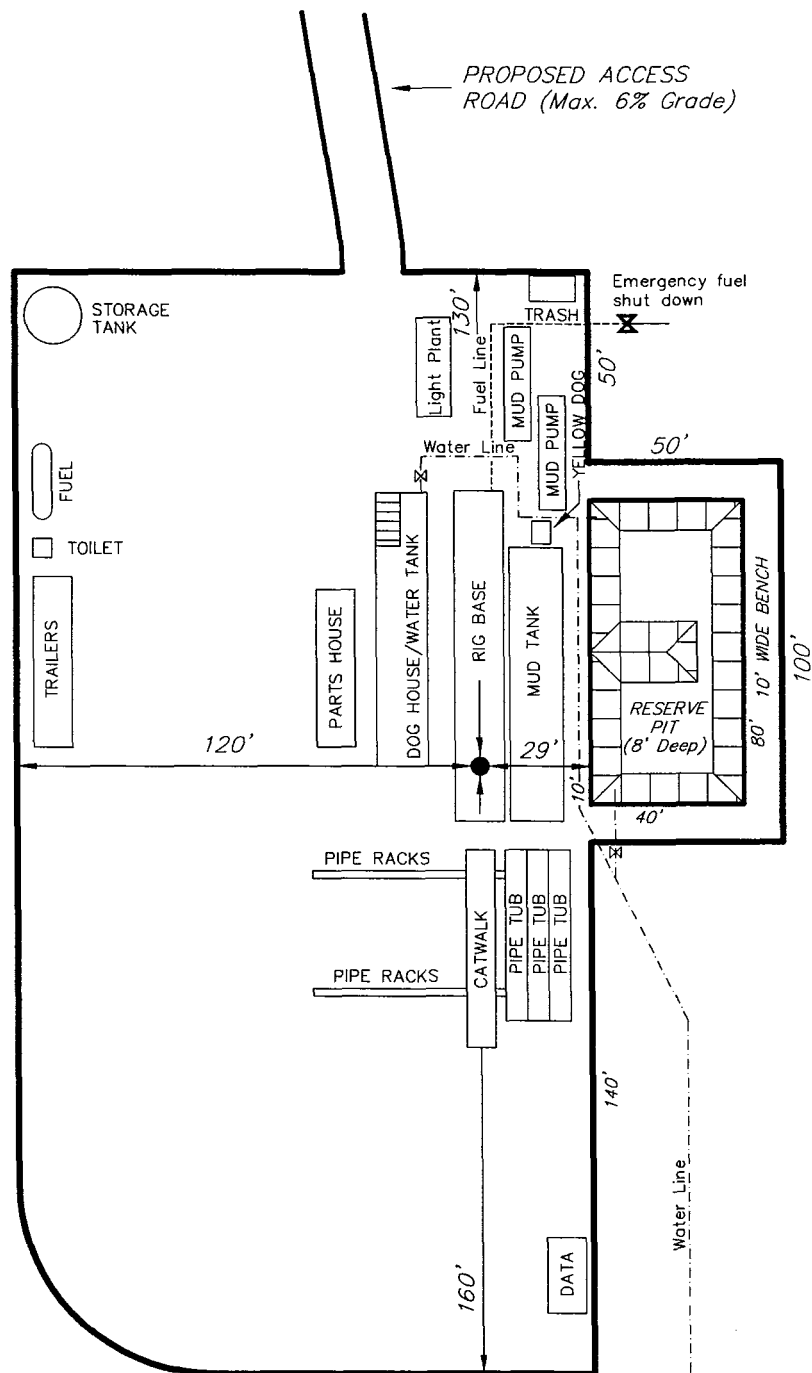
DATE: 3-8-04

Tri State
Land Surveying, Inc.
180 NORTH VERNAL AVE. VERNAL, UTAH 84078
(435) 781-2501

INLAND PRODUCTION COMPANY

TYPICAL RIG LAYOUT

FEDERAL 7-6-9-18



SURVEYED BY: D.J.S.

SCALE: 1" = 50'

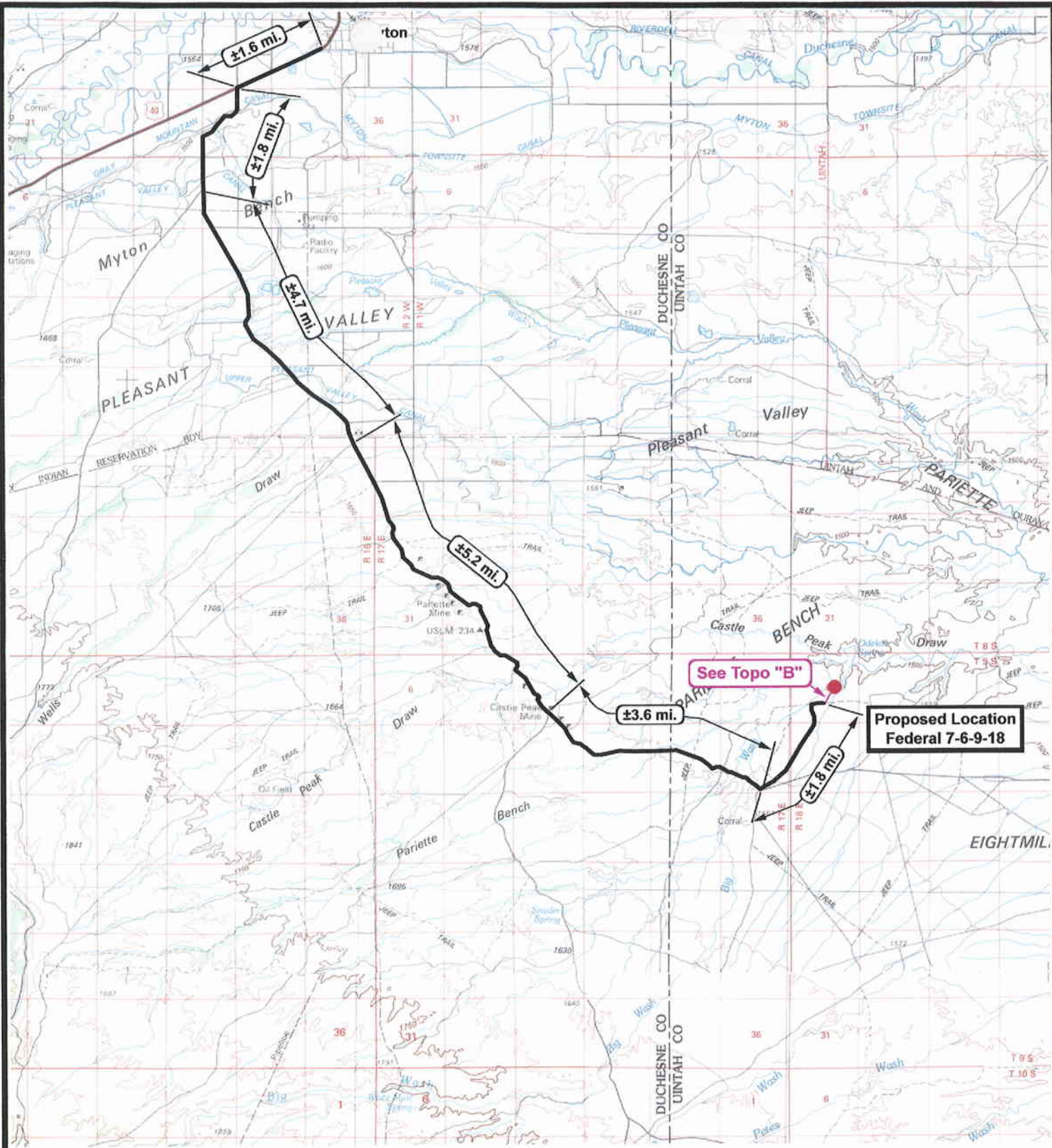
DRAWN BY: J.R.S.

DATE: 3-8-04

Tri State
Land Surveying, Inc.

(435) 781-2501

180 NORTH VERNAL AVE. VERNAL, UTAH 84078



**Federal 7-6-9-18
SEC. 6, T9S, R18E, S.L.B.&M.**



**Tri-State
Land Surveying Inc.**
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1 = 120,000

DRAWN BY: bgm

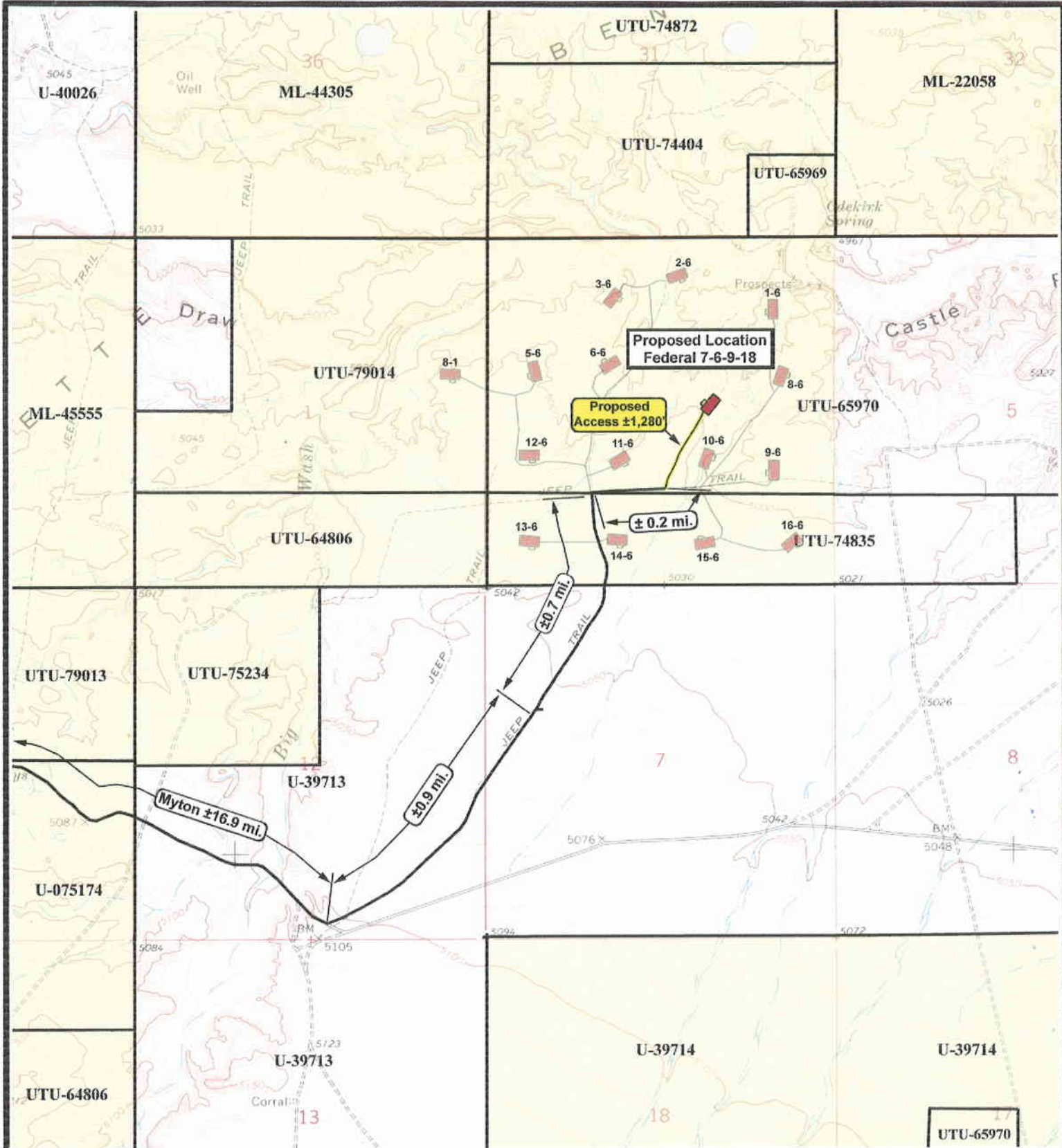
DATE: 02-04-2003

Legend

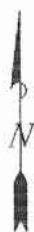
- Existing Road
- Proposed Access

TOPOGRAPHIC MAP

"A"



Federal 7-6-9-18
SEC. 6, T9S, R18E, S.L.B.&M.

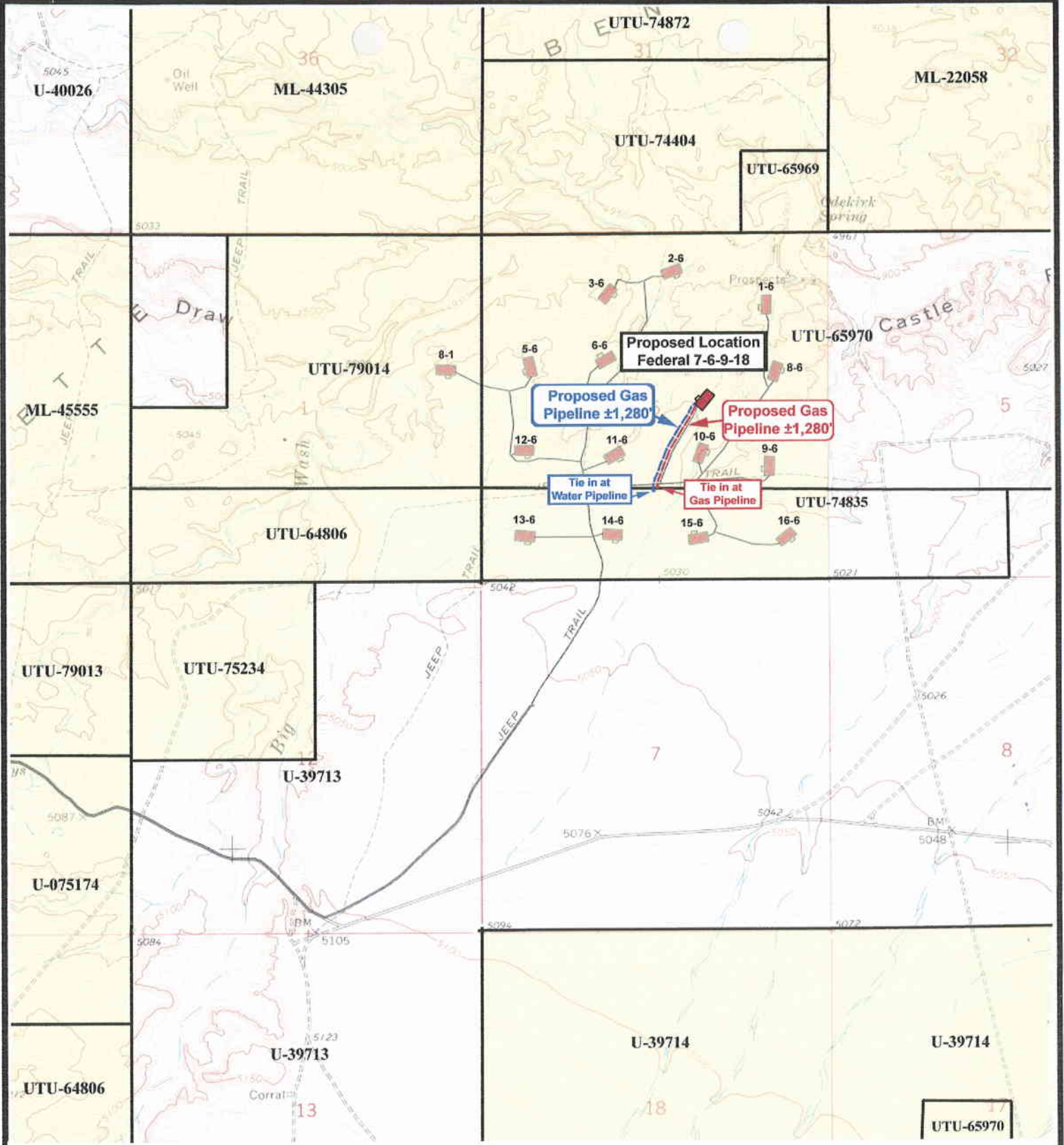


Tri-State
Land Surveying Inc.
 (435) 781-2501
 180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
 DRAWN BY: bgm
 DATE: 02-03-2004

Legend
 Existing Road
 Proposed Access

TOPOGRAPHIC MAP
"B"



Federal 7-6-9-18
SEC. 6, T9S, R18E, S.L.B.&M.



Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
DRAWN BY: bgm
DATE: 02-04-2004

Legend

- Roads
- Existing Gas Line
- Proposed Gas Line
- Existing Water Line
- Proposed Water Line

TOPOGRAPHIC MAP

"C"

ML-44305

UTU-74872

ML-22058

UTU-74404

UTU-65970

UTU-79014

UTU-64806

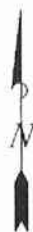
UTU-71835

UTU-75234

Proposed Location
Federal 7-6-9-18



Federal 7-6-9-18
SEC. 6, T9S, R18E, S.L.B.&M.



Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
DRAWN BY: bgm
DATE: 02-04-2004

Legend

- Well Locations
- One-Mile Radius

Exhibit "B"

CULTURAL RESOURCE INVENTORY OF
INLAND RESOURCES' 1170 ACRE ODEKIRK UNIT, IN
TOWNSHIP 8S, RANGE 18E, SECTION 31,
AND TOWNSHIP 9S, RANGE 18E, SECTION 6,
UINTAH COUNTY, UTAH

by

Keith R. Montgomery
and
Sarah Ball

Prepared For:

Bureau of Land Management
Vernal Field Office
Vernal, Utah

Prepared Under Contract With:

Jon D. Holst & Associates
for
Inland Resources
2507 Flintridge Place
Fort Collins, CO 80521

Prepared By:

Montgomery Archaeological Consultants
P.O. Box 147
Moab, Utah 84532

MOAC Report No. 01-164

December 7, 2001

United States Department of Interior (FLPMA)
Permit No. 01-UT-60122

State of Utah Antiquities Project (Survey)
Permit No. U-01-MQ-0787b

INLAND RESOURCES, INC.

**PALEONTOLOGICAL FIELD SURVEY OF PROPOSED
PRODUCTION DEVELOPMENT AREAS,
DUCHESNE AND UINTAH COUNTIES, UTAH**

(NW 1/4 SE 1/4, Sec. 31, T 8 S, R 17 E, Duchesne County: SW 1/4 NW 1/4,
Sec. 1, T 9 S, R 18 E; NE 1/4 NE 1/4, NW 1/4 NE 1/4, NE 1/4 NW 1/4,
SE 1/4 NW 1/4, SW 1/4 NE 1/4, SE 1/4 NE 1/4, Sec. 1, T 9 S, R 17 E;
all quarter, quarter sections in the North 1/2, Sec. 6, T 9 S, R 18 E, Uintah County)

REPORT OF SURVEY

Prepared for:

Inland Resources, Inc.

Prepared by:

Wade E. Miller
Consulting Paleontologist
March 19, 2003

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Inland Production Company

3a. Address Route 3 Box 3630

Myton, UT 84052

3b. Phone No. (include area code)

435.646.3721

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2553 FNL 1910 FEL

SW/NE Section 6 T9S R18E

5. Lease Serial No.

UTU65970

6. If Indian, Allottee or Tribe Name.

7. If Unit or CA/Agreement, Name and/or No.

EIGHT MILE FLAT AREA

8. Well Name and No.

FEDERAL 7-6-9-18

9. API Well No.

4304734934

10. Field and Pool, or Exploratory Area
Monument Butte

11. County or Parish, State

Uintah, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production(Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug & Abandon	<input type="checkbox"/> Temporarily Abandon	Water Disposal _____
	<input type="checkbox"/> Convert to Injector	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	_____

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation requires multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirement including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Formation water is produced to a steel storage tank. If the production water meets quality guidelines, it is transported to the Ashley, Monument Butte, Jonah, and Beluga water injection facilities by company or contract trucks. Subsequently, the produced water is injected into approved Class II wells to enhance Inland's secondary recovery project. Water not meeting quality criteria, is disposed at Inland's Pariette #4 disposal well (Sec. 7, T9S R19E) or at State of Utah approved surface disposal facilities.

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**

RECEIVED
MAY 21 2004
DIV. OF OIL, GAS & MINING

I hereby certify that the foregoing is true and correct

Name (Printed/ Typed)
Mandie Crozier

Signature

Title

Regulatory Specialist

Date

5/20/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious and fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on reverse)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Inland Production Company

3a. Address Route 3 Box 3630
Myton, UT 84052

3b. Phone No. (include area code)
435.646.3721

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2553 FNL 1910 FEL
SW/NE Section 6 T9S R18E

5. Lease Serial No.

UTU65970

6. If Indian, Allottee or Tribe Name.

7. If Unit or CA/Agreement, Name and/or No.

EIGHT MILE FLAT AREA

8. Well Name and No.

FEDERAL 7-6-9-18

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4304734934

10. Field and Pool, or Exploratory Area
Monument Butte

11. County or Parish, State

Uintah, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug & Abandon	<input type="checkbox"/> Temporarily Abandon	Weekly Status Report
	<input type="checkbox"/> Convert to Injector	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is deepened directionally or recompletes horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation requires multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)


Status report for time period 5/7/2004-5/18/2004

Subject well had completion procedures initiated in the Green River formation on 5/7/2004 without the use of a service rig over the well. A cement bond log was run and a total of four Green River intervals were perforated and hydraulically fracture treated with 20/40 mesh sand. Perforated intervals are as follows: Stage #1: (5603-5612'); Stage #2: (5276-5289'), (5240-5242'), (5224-5229'); Stage #3: (4894-4915'); Stage #4: (4293-4321'), (4254-4266'), (4231-4239'). All perforations were 4 JSPF. Composite flow-through frac plugs were used between stages. Fracs were flowed back through chokes. A service rig was moved over well 5/14/2004. Bridge plugs were drilled out and well was cleaned to 5967' (PBTD). Zones were swab tested for sand cleanup. A BHA and production tubing string were run and anchored in well. End of tubing string @ 5642'. A new 1 1/2" bore rod pump was run in well on sucker rods. Well was placed on production via rod pump on 5/18/2004.

RECEIVED
JUN 11 2004
DIV. OF OIL, GAS & MINING

I hereby certify that the foregoing is true and correct
Name (Printed/ Typed)
Matt Richmond

Title
Production Clerk

Signature


Date
6/10/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious and fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on reverse)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WORK

OIL WELL ☒ GAS WELL ☐ DRY ☐ Other _____

1b. TYPE OF WELL

NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF RESVR. ☐ Other _____

2. NAME OF OPERATOR

INLAND RESOURCES INC.

3. ADDRESS AND TELEPHONE NO.

1401 17th St. Suite 1000 Denver, CO 80202

4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.)*

At Surface 2203' FNL & 2021' FEL (SWNE) Sec. 6, Twp 9S, Rng 18E

At top prod. Interval reported below

At total depth

14. API NO. 43-047-34934 DATE ISSUED 5/6/2003

12. COUNTY OR PARISH Uintah 13. STATE UT

15. DATE SPUDDED 4/15/2004 16. DATE T.D. REACHED 4/23/2004 17. DATE COMPL. (Ready to prod.) 5/18/2004 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 4957' GL 4969' KB 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 6300' 21. PLUG BACK T.D., MD & TVD 5967' 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY -----> ROTARY TOOLS X CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)*

Green River 4231'-5612'

25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN

✓ Dual Induction Guard, SP, Compensated Density, Compensated Neutron, GR, Caliper, Cement Bond Log

27. WAS WELL CORED No

23. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
8-5/8" - J-55	24#	315'	12-1/4"	To surface with 150 sx Class "G" cmt	
5-1/2" - J-55	15.5#	5990'	7-7/8"	300 sx Premlite II and 400 sx 50/50 Poz	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-7/8"	EOT @ 5641'	TA @ 5544'

31. PERFORATION RECORD (Interval, size and number)

INTERVAL	SIZE	SPF/NUMBER	32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.
(CP2) 5603'-5612'	.41"	4/36	DEPTH INTERVAL (MD) 5603'-5612' AMOUNT AND KIND OF MATERIAL USED
LODC, A3) 5224'-29', 5240'-52', 5276'-89'	.41"	4/100	5224'-5289' Frac w/ 41,461# 20/40 sand in 389 bbls. fluid.
(C-sd) 4894'-4915'	.41"	4/84	4894'-4915' Frac w/ 106,076# 20/40 sand in 760 bbls. fluid.
(GB4,6) 4231'-39', 4254'-66', 4293'-4321'	.41"	4/192	4231'-4321' Frac w/ 93,689# 20/40 sand in 689 bbls. fluid.
			153,854# 20/40 sand in 987 bbls. fluid.

33.* PRODUCTION

DATE FIRST PRODUCTION 5/18/2004		PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump) 2-1/2" x 1-1/2" x 15.5 ' RHAC Pump					WELL STATUS (Producing or shut-in) PRODUCING	
DATE OF TEST 10 day ave	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD ----->	OIL--BBL. 61	GAS--MCF. 25	WATER--BBL. 10		GAS-OIL RATIO 410
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE ----->	OIL-BBL.	GAS--MCF.	WATER--BBL.		OIL GRAVITY-API (CORR.) RECEIVED	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

Sold & Used for Fuel

TEST WITNESSED BY

JUN 23 2004

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Brian Harris

TITLE Engineering Technician

DATE 6/18/2004

DIV. OF OIL, GAS & MINING

BDH

*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof, cored intervals, and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries);				38. GEOLOGIC MARKERS		
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
			Well Name Federal 7-6-9-18	Garden Gulch Mkr	3776'	
				Garden Gulch 1	3947'	
				Garden Gulch 2	4057'	
				Point 3 Mkr	4326'	
				X Mkr	4547'	
				Y-Mkr	4584'	
				Douglas Creek Mkr	4716'	
				BiCarbonate Mkr	4948'	
				B Limestone Mkr		
				Castle Peak	5525'	
				Basal Carbonate	5934'	
				Total Depth (LOGGERS)	6013'	

Inland Resources Inc.

June 18, 2004

State of Utah, Division of Oil, Gas and Mining
Attn: Ms. Carol Daniels
P.O. Box 145801
Salt Lake City, Utah 84144-5801

Attn: Ms. Carol Daniels

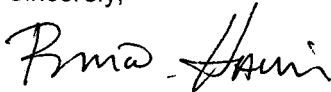
Federal 7-6-9-18 (43-047-34934)
Uintah County, Utah

Dear Ms. Carol Daniels

Enclosed is a Well Completion or Recompletion Report and Log form (Form 3160-4). We are no longer sending Log copies since Pat Grissom of Phoenix Surveys is already doing so.

If you should have any questions, please contact me at (303) 382-4449.

Sincerely,



Brian Harris
Engineering Tech

Enclosures

cc: Bureau of Land Management
Vernal District Office, Division of Minerals
Attn: Edwin I. Forsman
170 South 500 East
Vernal, Utah 84078

Well File – Denver
Well File – Roosevelt
Patsy Barreau/Denver
Bob Jewett/Denver
Matt Richmond/Roosevelt

RECEIVED

JUN 23 2004

DIV. OF OIL, GAS & MINING

Alamo Plaza Building
1401 Seventeenth Street, Suite 1000
Denver, CO 80202
303-893-0102 • Fax: 303-893-0103



Office of the Secretary of State

The undersigned, as Secretary of State of Texas, does hereby certify that the attached is a true and correct copy of each document on file in this office as described below:

Newfield Production Company
Filing Number: 41530400

Articles of Amendment

September 02, 2004

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on September 10, 2004.



A handwritten signature in black ink, appearing to read "G. Connor".

Secretary of State

ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION
OF
INLAND PRODUCTION COMPANY

FILED
In the Office of the
Secretary of State of Texas
SEP 02 2004
Corporations Section

Pursuant to the provisions of Article 4.04 of the Texas Business Corporation Act (the "TBCA"), the undersigned corporation adopts the following articles of amendment to the articles of incorporation:

ARTICLE 1 – Name

The name of the corporation is Inland Production Company.

ARTICLE 2 – Amended Name

The following amendment to the Articles of Incorporation was approved by the Board of Directors and adopted by the shareholders of the corporation on August 27, 2004.

The amendment alters or changes Article One of the Articles of Incorporation to change the name of the corporation so that, as amended, Article One shall read in its entirety as follows:

"ARTICLE ONE – The name of the corporation is Newfield Production Company."

ARTICLE 3 – Effective Date of Filing

This document will become effective upon filing.

The holder of all of the shares outstanding and entitled to vote on said amendment has signed a consent in writing pursuant to Article 9.10 of the TBCA, adopting said amendment, and any written notice required has been given.

IN WITNESS WHEREOF, the undersigned corporation has executed these Articles of Amendment as of the 1st day of September, 2004.

INLAND RESOURCES INC.

By: Susan G. Riggs
Susan G. Riggs, Treasurer



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov>



IN REPLY REFER TO:
3106
(UT-924)

September 16, 2004

Memorandum

To: Vernal Field Office

From: Acting Chief, Branch of Fluid Minerals

Subject: Merger Approval

Attached is an approved copy of the name change recognized by the Utah State Office. We have updated our records to reflect the merger from Inland Production Company into Newfield Production Company on September 2, 2004.

Michael Coulthard
Acting Chief, Branch of
Fluid Minerals

Enclosure

1. State of Texas Certificate of Registration

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114
Teresa Thompson
Joe Incardine
Connie Seare

UTSL-	15855	61052	73088	76561	
071572A	16535	62848	73089	76787	
065914	16539	63073B	73520A	76808	
	16544	63073D	74108	76813	
	17036	63073E	74805	76954	63073X
	17424	63073O	74806	76956	63098A
	18048	64917	74807	77233	68528A
UTU-	18399	64379	74808	77234	72086A
	19267	64380	74389	77235	72613A
02458	26026A	64381	74390	77337	73520X
03563	30096	64805	74391	77338	74477X
03563A	30103	64806	74392	77339	75023X
04493	31260	64917	74393	77357	76189X
05843	33992	65207	74398	77359	76331X
07978	34173	65210	74399	77365	76788X
09803	34346	65635	74400	77369	77098X
017439B	36442	65967	74404	77370	77107X
017985	36846	65969	74405	77546	77236X
017991	38411	65970	74406	77553	77376X
017992	38428	66184	74411	77554	78560X
018073	38429	66185	74805	78022	79485X
019222	38431	66191	74806	79013	79641X
020252	39713	67168	74826	79014	80207X
020252A	39714	67170	74827	79015	81307X
020254	40026	67208	74835	79016	
020255	40652	67549	74868	79017	
020309D	40894	67586	74869	79831	
022684A	41377	67845	74870	79832	
027345	44210	68105	74872	79833	
034217A	44426	68548	74970	79831	
035521	44430	68618	75036	79834	
035521A	45431	69060	75037	80450	
038797	47171	69061	75038	80915	
058149	49092	69744	75039	81000	
063597A	49430	70821	75075		
075174	49950	72103	75078		
096547	50376	72104	75089		
096550	50385	72105	75090		
	50376	72106	75234		
	50750	72107	75238		
10760	51081	72108	76239		
11385	52013	73086	76240		
13905	52018	73087	76241		
15392	58546	73807	76560		

OPERATOR CHANGE WORKSHEET

006

Change of Operator (Well Sold)

Designation of Agent/Operator

ROUTING

1. GLH

2. CDW

3. FILE

X Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective:

9/1/2004

FROM: (Old Operator):

N5160-Inland Production Company

Route 3 Box 3630

Myton, UT 84052

Phone: 1-(435) 646-3721

TO: (New Operator):

N2695-Newfield Production Company

Route 3 Box 3630

Myton, UT 84052

Phone: 1-(435) 646-3721

CA No.

Unit:

WELL(S)

NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS	
FEDERAL 3-31-8-18	31	080S	180E	4304734496	13915	Federal	OW	P	K
FEDERAL 4-31-8-18	31	080S	180E	4304734497	13942	Federal	OW	DRL	K
FEDERAL 5-31-8-18	31	080S	180E	4304734498	13898	Federal	OW	P	K
FEDERAL 6-31-8-18	31	080S	180E	4304734499	13960	Federal	OW	P	K
FEDERAL 7-31-8-18	31	080S	180E	4304734500	13925	Federal	OW	P	K
FEDERAL 11-31-8-18	31	080S	180E	4304734501	13924	Federal	OW	P	K
FEDERAL 12-31-8-18	31	080S	180E	4304734502	13958	Federal	OW	P	K
FEDERAL 13-31-8-18	31	080S	180E	4304734503	14324	Federal	OW	P	K
FEDERAL 8-31-8-18	31	080S	180E	4304734504	13961	Federal	OW	P	K
FEDERAL 10-31-8-18	31	080S	180E	4304734930	13986	Federal	OW	P	K
FEDERAL 9-31-8-18	31	080S	180E	4304734931	13963	Federal	OW	P	K
FEDERAL 2-1-9-17	01	090S	170E	4304734938		Federal	OW	APD	K
FEDERAL 3-1-9-17	01	090S	170E	4304734939		Federal	OW	APD	K
FEDERAL 8-1-9-17	01	090S	170E	4304734940		Federal	OW	APD	K
FEDERAL 5-6-9-18	06	090S	180E	4304734932		Federal	OW	APD	K
FEDERAL 6-6-9-18	06	090S	180E	4304734933	14152	Federal	OW	P	K
FEDERAL 7-6-9-18	06	090S	180E	4304734934	14126	Federal	OW	P	K
FEDERAL 8-6-9-18	06	090S	180E	4304734935		Federal	OW	APD	K
FEDERAL 13-6-9-18	06	090S	180E	4304734936	14049	Federal	OW	P	K
FEDERAL 14-6-9-18	06	090S	180E	4304734937	14064	Federal	OW	P	K

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 9/15/20042. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 9/15/20043. The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 2/23/2005

4. Is the new operator registered in the State of Utah: YES Business Number: 755627-0143

5. If NO, the operator was contacted on:

6a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
6b. Inspections of LA PA state/fee well sites complete on: waived

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: n/a

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: na/

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 2/23/2005

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 2/28/2005
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 2/28/2005
3. Bond information entered in RBDMS on: 2/28/2005
4. Fee/State wells attached to bond in RBDMS on: 2/28/2005
5. Injection Projects to new operator in RBDMS on: 2/28/2005
6. Receipt of Acceptance of Drilling Procedures for APD/New on: waived

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UT 0056

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: 61BSBDH2912

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 61BSBDH2919
2. The **FORMER** operator has requested a release of liability from their bond on: n/a*
The Division sent response by letter on: n/a

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

*Bond rider changed operator name from Inland Production Company to Newfield Production Company - received 2/23/05



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155



IN REPLY REFER TO
3180
UT-922

June 30, 2005

Newfield Production Company
Attn: Kelly L. Donohoue
1401 Seventeenth Street, Suite 1000
Denver, Colorado 80202

Gentlemen:

The Sundance (Green River) Unit Agreement, Uintah County, Utah, was approved June 30, 2005. This agreement has been designated No. UTU82472X, and is effective July 1, 2005. The unit area embraces 11,143.86 acres, more or less.

Pursuant to regulations issued and effective June 17, 1988, all operations within the Sundance (Green River) Unit will be covered by your nationwide (Utah) oil and gas bond No. 0056.

The following leases embrace lands included within the unit area:

UTU0075174	UTU39713	UTU65970*	UTU79013*
UTU16539*	UTU39714	UTU74404	UTU79014*
UTU16540	UTU44429	UTU74835	UTU80915
UTU17424*	UTU64806*	UTU74872*	UTU82205
UTU18043	UTU65969	UTU75234	

* Indicates lease to be considered for segregation by the Bureau of Land Management pursuant to Section 18 (g) of the unit agreement and Public Law 86-705.

All lands and interests by State of Utah, Cause No. 228-08 are fully committed.

Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.

RECEIVED

JUL 0 / 2005

DIV. OF OIL, GAS & MINING

*Docket No
2005-009*

We are of the opinion that the agreement is necessary and advisable in the public interest and for the purpose of more properly conserving natural resources. Certification-Determination, signed by the School and Institutional Trust Land Administration for the State of Utah, is attached to the enclosed agreement. We request that you furnish the State of Utah and all other interested principals with appropriate evidence of this approval.

Sincerely,

/s/ Terry Catlin

Terry Catlin
Acting Chief, Branch of Fluid Minerals

Enclosure

bcc: Mary Higgins w/enclosure
MMS - Data Management Division (Attn: James Sykes)
Trust Lands Administration
Division of Oil, Gas and Mining
Field Manager - Vernal w/enclosure
File - Sundance (Green River) Unit w/enclosure
Agr. Sec. Chron
Fluid Chron
Central Files

UT922:TAThompson:tt:06/30/2005

Entity Form 6
"C" Change from one existing entity to another existing entity

API	Well	Sec	Twsp	Rng	Entity	Entity Eff Date
4304735697	FEDERAL 15-13-9-17	13	090S	170E	14828 to 14844	9/20/2005
4304735698	FEDERAL 13-13-9-17	13	090S	170E	14813 to 14844	9/20/2005
4304735699	FEDERAL 11-13-9-17	13	090S	170E	14837 to 14844	9/20/2005
4304735702	FEDERAL 5-13-9-17	13	090S	170E	14836 to 14844	9/20/2005
4304736012	FEDERAL 14-13-9-17	13	090S	170E	14790 to 14844	9/20/2005
4304732438	FEDERAL 44-14Y	14	090S	170E	11506 to 14844	9/20/2005
4304735708	FEDERAL 9-14-9-17	14	090S	170E	14808 to 14844	9/20/2005
4304735709	FEDERAL 11-14-9-17	14	090S	170E	14734 to 14844	9/20/2005
4304735710	FEDERAL 15-14-9-17	14	090S	170E	14735 to 14844	9/20/2005
4304736068	FEDERAL 14-14-9-17	14	090S	170E	14770 to 14844	9/20/2005
4304736069	FEDERAL 10-14-9-17	14	090S	170E	14787 to 14844	9/20/2005
4304736071	FEDERAL 6-14-9-17	14	090S	170E	14809 to 14844	9/20/2005
4304731181	FEDERAL 14-4-9-18	04	090S	180E	14601 to 14844	9/20/2005
4304732653	FEDERAL 13-4-9-18	04	090S	180E	14602 to 14844	9/20/2005
4304732654	FEDERAL 11-4-9-18	04	090S	180E	14603 to 14844	9/20/2005
4304735473	FEDERAL 1-4-9-18	04	090S	180E	14533 to 14844	9/20/2005
4304735474	FEDERAL 7-4-9-18	04	090S	180E	14499 to 14844	9/20/2005
4304735475	FEDERAL 9-4-9-18	04	090S	180E	14530 to 14844	9/20/2005
4304735589	FEDERAL 2-4-9-18	04	090S	180E	14485 to 14844	9/20/2005
4304735590	FEDERAL 3-4-9-18	04	090S	180E	14697 to 14844	9/20/2005
4304735591	FEDERAL 5-4-9-18	04	090S	180E	14680 to 14844	9/20/2005
4304735592	FEDERAL 6-4-9-18	04	090S	180E	14696 to 14844	9/20/2005
4304735593	FEDERAL 8-4-9-18	04	090S	180E	14528 to 14844	9/20/2005
4304735594	FEDERAL 10-4-9-18	04	090S	180E	14535 to 14844	9/20/2005
4304735595	FEDERAL 12-4-9-18	04	090S	180E	14670 to 14844	9/20/2005
4304732503	21BALCRON FED 31-5Y	05	090S	180E	11680 to 14844	9/20/2005
4304735290	FEDERAL 5-5-9-18	05	090S	180E	14669 to 14844	9/20/2005
4304735292	FEDERAL 9-5-9-18	05	090S	180E	14554 to 14844	9/20/2005
4304735293	FEDERAL 11-5-9-18	05	090S	180E	14769 to 14844	9/20/2005
4304735294	FEDERAL 13-5-9-18	05	090S	180E	14658 to 14844	9/20/2005
4304735505	FEDERAL 14-5-9-18	05	090S	180E	14687 to 14844	9/20/2005
4304735506	FEDERAL 12-5-9-18	05	090S	180E	14651 to 14844	9/20/2005
4304735891	FEDERAL 10-5-9-18	05	090S	180E	14698 to 14844	9/20/2005
4304734933	FEDERAL 6-6-9-18	06	090S	180E	14152 to 14844	9/20/2005
4304734934	FEDERAL 7-6-9-18	06	090S	180E	14126 to 14844	9/20/2005
4304734936	FEDERAL 13-6-9-18	06	090S	180E	14049 to 14844	9/20/2005



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8
1595 WYNKOOP STREET.
DENVER, CO 80202-1129
<http://www.epa.gov/region8>

OCT 23 2007

Ref: 8P-W-GW

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

David Gerbig
Newfield Production Company
1401 Seventeenth Street, Suite 1000
Denver, CO 80202

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

Re: Final Permit
EPA UIC Permit UT21114-07546
Federal 7-6-9-18
Uintah County, Utah

43-047-34934

Dear Mr. Gerbig:

Enclosed is your copy of the FINAL Underground Injection Control (UIC) Permit for the proposed Federal 7-6-9-18 injection well. A Statement of Basis that discusses the conditions and requirements of this EPA UIC Permit, is also included.

The Public Comment period for this Permit ended on SEP 12 2007. No comments on the Draft Permit were received during the Public Notice period; therefore the Effective Date for this EPA UIC Permit is the date of issuance. All conditions set forth herein refer to Title 40 Parts 124, 144, 146, and 147 of the Code of Federal Regulations (CFR) and are regulations that are in effect as of the Effective Date of this Permit.

Please note that under the terms and conditions of this Final Permit you are authorized only to construct the proposed injection well. Prior to commencing injection, you first must fulfill all "Prior to Commencing Injection" requirements of the Final Permit, Part II Section C Subpart 1, and obtain written Authorization to Inject from the EPA. It is your responsibility to be familiar with and to comply with all provisions of your Final Permit.

This EPA UIC Permit is issued for the operating life of the well unless terminated (Part III, Section B). The EPA may review this Permit at least every five (5) years to determine whether any action is warranted pursuant to 40 CFR § 144.36(a).

RECEIVED

OCT 29 2007

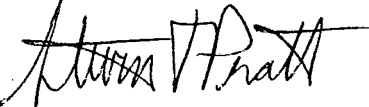
DIV. OF OIL, GAS & MINING



Printed on Recycled Paper

If you have any questions on the enclosed Final Permit or Statement of Basis, please call Emmett Schmitz of my staff at (303) 312-6174, or toll-free at (800) 227-8917, ext. 312-6174.

Sincerely,


for

Stephen S. Tuber
Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

enclosure: Final UIC Permit
Statement of Basis
Form 7520-7 Application to Transfer Permit
Form 7520-11 Monitoring Report
Form 7520-12 Well Rework Record
Form 7520-13 Plugging Record

cc: Letter:
Uintah & Ouray Business Committee:
Curtis Cesspooch, Chairman
Irene Cuch, Vice-Chairman
Frances Poowegup, Councilwoman
Ronald Groves, Councilman
Steven Cesspooch, Councilman
Phillip Chimburas, Councilman

Chester Mills
Superintendent
Uintah & Ouray Indian Agency
U.S. Bureau of Indian Affairs

cc: all enclosures:

Michael Guinn
District Manager
Newfield Production Company
Myton, Utah



Shaun Chapoose
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Fluid Minerals Engineering Office
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Vernal, Utah



**UNDERGROUND INJECTION CONTROL PROGRAM
PERMIT**

PREPARED: October 2007

Permit No. UT21114-07546

Class II Enhanced Oil Recovery Injection Well

**Federal 7-6-9-18
Uintah County, UT**

Issued To

Newfield Production Company

1401 Seventeenth Street, Suite 1000

Denver, CO 80202

Part I. AUTHORIZATION TO CONSTRUCT AND OPERATE

Under the authority of the Safe Drinking Water Act and Underground Injection Control (UIC) Program regulations of the U. S. Environmental Protection Agency (EPA) codified at Title 40 of the Code of Federal Regulations (40 CFR) Parts 2, 124, 144, 146, and 147, and according to the terms of this Permit,

Newfield Production Company
1401 Seventeenth Street, Suite 1000
Denver, CO 80202

is authorized to construct and to operate the following Class II injection well or wells:

Federal 7-6-9-18
2553' FNL 1910' FEL, SWNE S6, T9S, R18E
Uintah County, UT

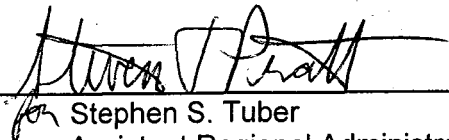
EPA regulates the injection of fluids into injection wells so that injection does not endanger underground sources of drinking water (USDWs). EPA UIC Permit conditions are based on authorities set forth at 40 CFR Parts 144 and 146, and address potential impacts to USDWs.

Under 40 CFR Part 144, Subpart D, certain conditions apply to all UIC Permits and may be incorporated either expressly or by reference. General permit conditions for which the content is mandatory and not subject to site-specific differences are not discussed in this document. Issuance of this Permit does not convey any property rights of any sort or any exclusive privilege, nor does it authorize injury to persons or property or invasion of other private rights, or any infringement of other Federal, State or local laws or regulations. (40 CFR §144.35) An EPA UIC Permit may be issued for the operating life of the injection well or project unless terminated for reasonable cause under 40 CFR §§144.39, 144.40 and 144.41, and may be reviewed at least once every five (5) years to determine if action is required under 40 CFR §144.36(a).

This Permit is issued for the life of the well(s) unless modified, revoked and reissued, or terminated under 40 CFR 144.39 or 144.40. This EPA Permit may be adopted, modified, revoked and reissued, or terminated if primary enforcement authority for a UIC Program is delegated to an Indian Tribe or State. Upon the effective date of delegation, reports, notifications, questions and other correspondence should be directed to the Indian Tribe or State Director.

Issue Date: OCT 26 2007

Effective Date OCT 26 2007



for Stephen S. Tuber
Assistant Regional Administrator*
Office of Partnerships and Regulatory Assistance

*NOTE: The person holding this title is referred to as the "Director" throughout this Permit.

PART II. SPECIFIC PERMIT CONDITIONS

Section A. WELL CONSTRUCTION REQUIREMENTS

These requirements represent the approved minimum construction standards for well casing and cement, injection tubing, and packer.

Details of the approved well construction plan are incorporated into this Permit as APPENDIX A. Changes to the approved plan that may occur during construction must be approved by the Director prior to being physically incorporated.

1. Casing and Cement.

The well or wells shall be cased and cemented to prevent the movement of fluids into or between underground sources of drinking water. The well casing and cement shall be designed for the life expectancy of the well and of the grade and size shown in APPENDIX A. Remedial cementing may be required if shown to be inadequate by cement bond log or other attempted demonstration of Part II (External) mechanical integrity.

2. Injection Tubing and Packer.

Injection tubing is required, and shall be run and set with a packer at or below the depth indicated in APPENDIX A. The packer setting depth may be changed provided it remains below the depth indicated in APPENDIX A and the Permittee provides notice and obtains the Director's approval for the change.

3. Sampling and Monitoring Devices.

The Permittee shall install and maintain in good operating condition:

- (a) a "tap" at a conveniently accessible location on the injection flow line between the pump house or storage tanks and the injection well, isolated by shut-off valves, for collection of representative samples of the injected fluid; and
- (b) one-half (1/2) inch female iron pipe fitting, isolated by shut-off valves and located at the wellhead at a conveniently accessible location, for the attachment of a pressure gauge capable of monitoring pressures ranging from normal operating pressures up to the Maximum Allowable Injection Pressure specified in APPENDIX C:
 - (i) on the injection tubing; and
 - (ii) on the tubing-casing annulus (TCA); and
- (c) a pressure actuated shut-off device attached to the injection flow line set to shut-off the injection pump when or before the Maximum Allowable Injection Pressure (MAIP) specified in APPENDIX C is reached at the wellhead; and
- (d) a non-resettable cumulative volume recorder attached to the injection line.

4. Well Logging and Testing

Well logging and testing requirements are found in APPENDIX B. The Permittee shall ensure the log and test requirements are performed within the time frames specified in APPENDIX B. Well logs and tests shall be performed according to current EPA-approved procedures. Well log and test results shall be submitted to the Director within sixty (60) days of completion of the logging or testing activity, and shall include a report describing the methods used during logging or testing and an interpretation of the test or log results.

5. Postponement of Construction or Conversion

The Permittee shall complete well construction within one year of the Effective Date of the Permit, or in the case of an Area Permit within one year of Authorization of the additional well. Authorization to construct and operate shall expire if the well has not been constructed within one year of the Effective Date of the Permit or Authorization and the Permit may be terminated under 40 CFR 144.40, unless the Permittee has notified the Director and requested an extension prior to expiration. Notification shall be in writing, and shall state the reasons for the delay and provide an estimated completion date. Once Authorization has expired under this part, the complete permit process including opportunity for public comment may be required before Authorization to construct and operate may be reissued.

6. Workovers and Alterations

Workovers and alterations shall meet all conditions of the Permit. Prior to beginning any addition or physical alteration to an injection well that may significantly affect the tubing, packer or casing, the Permittee shall give advance notice to the Director and obtain the Director's approval. The Permittee shall record all changes to well construction on a Well Rework Record (EPA Form 7520-12), and shall provide this and any other record of well workover, logging, or test data to EPA within sixty (60) days of completion of the activity.

A successful demonstration of Part I MI is required following the completion of any well workover or alteration which affects the casing, tubing, or packer. Injection operations shall not be resumed until the well has successfully demonstrated mechanical integrity and the Director has provided written approval to resume injection.

Section B. MECHANICAL INTEGRITY

The Permittee is required to ensure each injection well maintains mechanical integrity at all times. The Director, by written notice, may require the Permittee to comply with a schedule describing when mechanical integrity demonstrations shall be made.

An injection well has mechanical integrity if:

- (a) There is no significant leak in the casing, tubing, or packer (Part I); and
- (b) There is no significant fluid movement into an underground source of drinking water through vertical channels adjacent to the injection well bore (Part II).

1. *Demonstration of Mechanical Integrity (MI).*

The operator shall demonstrate MI prior to commencing injection and periodically thereafter. Well-specific conditions dictate the methods and the frequency for demonstrating MI and are discussed in the Statement of Basis. The logs and tests are designed to demonstrate both internal (Part I) and external (Part II) MI as described above. The conditions present at this well site warrant the methods and frequency required in Appendix B of this Permit.

In addition to these regularly scheduled demonstrations of MI, the operator shall demonstrate internal (Part I) MI after any workover which affects the tubing, packer or casing.

The Director may require additional or alternative tests if the results presented by the operator are not satisfactory to the Director to demonstrate there is no movement of fluid into or between USDWs resulting from injection activity. Results of MI tests shall be submitted to the Director as soon as possible but no later than sixty (60) days after the test is complete.

2. *Mechanical Integrity Test Methods and Criteria*

EPA-approved methods shall be used to demonstrate mechanical integrity. Ground Water Section Guidance No. 34 "Cement Bond Logging Techniques and Interpretation", Ground Water Section Guidance No. 37, "Demonstrating Part II (External) Mechanical Integrity for a Class II injection well permit", and Ground Water Section Guidance No. 39, "Pressure Testing Injection Wells for Part I (Internal) Mechanical Integrity" are available from EPA and will be provided upon request.

The Director may stipulate specific test methods and criteria best suited for a specific well construction and injection operation.

3. *Notification Prior to Testing.*

The Permittee shall notify the Director at least 30 days prior to any scheduled mechanical integrity test. The Director may allow a shorter notification period if it would be sufficient to enable EPA to witness the mechanical integrity test. Notification may be in the form of a yearly or quarterly schedule of planned mechanical integrity tests, or it may be on an individual basis.

4. *Loss of Mechanical Integrity.*

If the well fails to demonstrate mechanical integrity during a test, or a loss of mechanical integrity becomes evident during operation (such as presence of pressure in the TCA, water flowing at the surface, etc.), the Permittee shall notify the Director within 24 hours (see Part III Section E Paragraph 11(e) of this Permit) and the well shall be shut-in within 48 hours unless the Director requires immediate shut-in.

Within five days, the Permittee shall submit a follow-up written report that documents test results, repairs undertaken or a proposed remedial action plan.

Injection operations shall not be resumed until after the well has successfully been repaired and demonstrated mechanical integrity, and the Director has provided approval to resume injection.

Section C. WELL OPERATION

INJECTION BETWEEN THE OUTERMOST CASING PROTECTING UNDERGROUND SOURCES OF DRINKING WATER AND THE WELL BORE IS PROHIBITED.

Injection is approved under the following conditions:

1. Requirements Prior to Commencing Injection.

Well injection, including for new wells authorized by an Area Permit under 40 CFR 144.33 (c), may commence only after all well construction and pre-injection requirements herein have been met and approved. The Permittee may not commence injection until construction is complete, and

- (a) The Permittee has submitted to the Director a notice of completion of construction and a completed EPA Form 7520-10 or 7520-12; all applicable logging and testing requirements of this Permit (see APPENDIX B) have been fulfilled and the records submitted to the Director; mechanical integrity pursuant to 40 CFR 146.8 and Part II Section B of this Permit has been demonstrated; and
 - (i) The Director has inspected or otherwise reviewed the new injection well and finds it is in compliance with the conditions of the Permit; or
 - (ii) The Permittee has not received notice from the Director of his or her intent to inspect or otherwise review the new injection well within 13 days of the date of the notice in Paragraph 1a, in which case prior inspection or review is waived and the Permittee may commence injection.

2. Injection Interval.

Injection is permitted only within the approved injection interval, listed in APPENDIX C. Additional individual injection perforations may be added provided that they remain within the approved injection interval and the Permittee provides notice to the Director in accordance with Part II, Section A, Paragraph 6.

3. Injection Pressure Limitation

- (a) The permitted Maximum Allowable Injection Pressure (MAIP), measured at the wellhead, is found in APPENDIX C. Injection pressure shall not exceed the amount the Director determines is appropriate to ensure that injection does not initiate new fractures or propagate existing fractures in the confining zone adjacent to USDWs. In no case shall injection pressure cause the movement of injection or formation fluids into a USDW.
- (b) The Permittee may request a change of the MAIP, or the MAIP may be increased or decreased by the Director in order to ensure that the requirements in Paragraph (a) above are fulfilled. The Permittee may be required to conduct a step rate injection test or other suitable test to provide information for determining the fracture pressure of the injection zone. Change of the permitted MAIP by the Director shall be by modification of this Permit and APPENDIX C.

4. Injection Volume Limitation.

Injection volume is limited to the total volume specified in APPENDIX C.

5. Injection Fluid Limitation.

Injected fluids are limited to those identified in 40 CFR 144.6(b)(2) as fluids used for enhanced recovery of oil or natural gas, including those which are brought to the surface in connection with conventional oil or natural gas production that may be commingled with waste waters from gas plants which are an integral part of production operations unless those waters are classified as a hazardous waste at the time of injection, pursuant to 40 CFR 144.6(b). Non-exempt wastes, including unused fracturing fluids or acids, gas plant cooling tower cleaning wastes, service wastes and vacuum truck wastes, are NOT approved for injection. This well is NOT approved for commercial brine injection, industrial waste fluid disposal or injection of hazardous waste as defined by CFR 40 Part 261. The Permittee shall provide a listing of the sources of injected fluids in accordance with the reporting requirements in Part II Section D Paragraph 4 and APPENDIX D of this Permit.

6. Tubing-Casing Annulus (TCA)

The tubing-casing annulus (TCA) shall be filled with water treated with a corrosion inhibitor, or other fluid approved by the Director. The TCA valve shall remain closed during normal operating conditions and the TCA pressure shall be maintained at zero (0) psi.

If TCA pressure cannot be maintained at zero (0) psi, the Permittee shall follow the procedures in Ground Water Section Guidance No. 35 "Procedures to follow when excessive annular pressure is observed on a well."

Section D. MONITORING, RECORDKEEPING, AND REPORTING OF RESULTS

1. Monitoring Parameters, Frequency, Records and Reports.

Monitoring parameters are specified in APPENDIX D. Pressure monitoring recordings shall be taken at the wellhead. The listed parameters are to be monitored, recorded and reported at the frequency indicated in APPENDIX D even during periods when the well is not operating.

Monitoring records must include:

- (a) the date, time, exact place and the results of the observation, sampling, measurement, or analysis, and;
- (b) the name of the individual(s) who performed the observation, sampling, measurement, or analysis, and;
- (c) the analytical techniques or methods used for analysis.

2. Monitoring Methods.

- (a) Monitoring observations, measurements, samples, etc. taken for the purpose of complying with these requirements shall be representative of the activity or condition being monitored.

- (b) Methods used to monitor the nature of the injected fluids must comply with analytical methods cited and described in Table 1 of 40 CFR 136.3 or Appendix III of 40 CFR 261, or by other methods that have been approved in writing by the Director.
- (c) Injection pressure, annulus pressure, injection rate, and cumulative injected volumes shall be observed and recorded at the wellhead under normal operating conditions, and all parameters shall be observed simultaneously to provide a clear depiction of well operation.
- (d) Pressures are to be measured in pounds per square inch (psi).
- (e) Fluid volumes are to be measured in standard oil field barrels (bbl).
- (f) Fluid rates are to be measured in barrels per day (bbl/day).

3. Records Retention.

- (a) Records of calibration and maintenance, and all original strip chart recordings for continuous monitoring instrumentation, copies of all reports required by this permit, and records of all data used to complete the application for this permit shall be retained for a period of AT LEAST THREE (3) YEARS from the date of the sample, measurement, report, or application. This period may be extended anytime prior to its expiration by request of the Director.
- (b) Records of the nature and composition of all injected fluids must be retained until three (3) years after the completion of any plugging and abandonment (P&A) procedures specified under 40 CFR 144.52(a)(6) or under Part 146 Subpart G, as appropriate. The Director may require the Permittee to deliver the records to the Director at the conclusion of the retention period. The Permittee shall continue to retain the records after the three (3) year retention period unless the Permittee delivers the records to the Director or obtains written approval from the Director to discard the records.
- (c) The Permittee shall retain records at the location designated in APPENDIX D.

4. Annual Reports.

Whether the well is operating or not, the Permittee shall submit an Annual Report to the Director that summarizes the results of the monitoring required by Part II Section D and APPENDIX D.

The first Annual Report shall cover the period from the effective date of the Permit through December 31 of that year. Subsequent Annual Reports shall cover the period from January 1 through December 31 of the reporting year. Annual Reports shall be submitted by February 15 of the year following data collection. EPA Form 7520-11 may be copied and shall be used to submit the Annual Report, however, the monitoring requirements specified in this Permit are mandatory even if EPA Form 7520-11 indicates otherwise.

Section E. PLUGGING AND ABANDONMENT

1. Notification of Well Abandonment, Conversion or Closure.

The Permittee shall notify the Director in writing at least forty-five (45) days prior to: 1) plugging and abandoning an injection well, 2) converting to a non-injection well, and 3) in the case of an Area Permit, before closure of the project.

2. Well Plugging Requirements

Prior to abandonment, the injection well shall be plugged with cement in a manner which isolates the injection zone and prevents the movement of fluids into or between underground sources of drinking water, and in accordance with 40 CFR 146.10 and other applicable Federal, State or local law or regulations. Tubing, packer and other downhole apparatus shall be removed. Cement with additives such as accelerators and retarders that control or enhance cement properties may be used for plugs; however, volume-extending additives and gel cements are not approved for plug use. Plug placement shall be verified by tagging. Plugging gel of at least 9.6 lb/gal shall be placed between all plugs. A minimum 50 ft surface plug shall be set inside and outside of the surface casing to seal pathways for fluid migration into the subsurface. The Plugging Record must be certified as accurate and complete by the person responsible for the plugging operation. Prior to placement of the cement plug(s) the well shall be in a state of static equilibrium with the mud weight equalized top to bottom, either by circulating the mud in the well at least once or by a comparable method prescribed by the Director.

3. Approved Plugging and Abandonment Plan.

The approved plugging and abandonment plan is incorporated into this Permit as APPENDIX E. Changes to the approved plugging and abandonment plan must be approved by the Director prior to beginning plugging operations. The Director also may require revision of the approved plugging and abandonment plan at any time prior to plugging the well.

4. Forty Five (45) Day Notice of Plugging and Abandonment.

The Permittee shall notify the Director at least forty-five (45) days prior to plugging and abandoning a well and provide notice of any anticipated change to the approved plugging and abandonment plan.

5. Plugging and Abandonment Report.

Within sixty (60) days after plugging a well, the Permittee shall submit a report (EPA Form 7520-13) to the Director. The plugging report shall be certified as accurate by the person who performed the plugging operation. Such report shall consist of either:

- (a) A statement that the well was plugged in accordance with the approved plugging and abandonment plan; or
- (b) Where actual plugging differed from the approved plugging and abandonment plan, an updated version of the plan, on the form supplied by the Director, specifying the differences.

6. Inactive Wells.

After any period of two years during which there is no injection the Permittee shall plug and abandon the well in accordance with Part II Section E Paragraph 2 of this Permit unless the Permittee:

- (a) Provides written notice to the Director;
- (b) Describes the actions or procedures the Permittee will take to ensure that the well will not endanger USDWs during the period of inactivity. These actions and procedures shall include compliance with mechanical integrity demonstration, Financial Responsibility and all other permit requirements designed to protect USDWs; and
- (c) Receives written notice by the Director temporarily waiving plugging and abandonment requirements.

PART III. CONDITIONS APPLICABLE TO ALL PERMITS

Section A. EFFECT OF PERMIT

The Permittee is allowed to engage in underground injection in accordance with the conditions of this Permit. The Permittee shall not construct, operate, maintain, convert, plug, abandon, or conduct any other activity in a manner that allows the movement of fluid containing any contaminant into underground sources of drinking water, if the presence of that contaminant may cause a violation of any primary drinking water regulation under 40 CFR 142 or may otherwise adversely affect the health of persons. Any underground injection activity not authorized by this Permit or by rule is prohibited. Issuance of this Permit does not convey property rights of any sort or any exclusive privilege; nor does it authorize any injury to persons or property, any invasion of other private rights, or any infringement of any other Federal, State or local law or regulations. Compliance with the terms of this Permit does not constitute a defense to any enforcement action brought under the provisions of Section 1431 of the Safe Drinking Water Act (SDWA) or any other law governing protection of public health or the environment, for any imminent and substantial endangerment to human health or the environment, nor does it serve as a shield to the Permittee's independent obligation to comply with all UIC regulations. Nothing in this Permit relieves the Permittee of any duties under applicable regulations.

Section B. CHANGES TO PERMIT CONDITIONS

1. Modification, Reissuance, or Termination.

The Director may, for cause or upon a request from the Permittee, modify, revoke and reissue, or terminate this Permit in accordance with 40 CFR 124.5, 144.12, 144.39, and 144.40. Also, this Permit is subject to minor modification for causes as specified in 40 CFR 144.41. The filing of a request for modification, revocation and reissuance, termination, or the notification of planned changes or anticipated noncompliance on the part of the Permittee does not stay the applicability or enforceability of any condition of this Permit.

2. Conversions.

The Director may, for cause or upon a written request from the Permittee, allow conversion of the well from a Class II injection well to a non-Class II well. Conversion may not proceed until the Permittee receives written approval from the Director. Conditions of such conversion may include but are not limited to, approval of the proposed well rework, follow up demonstration of mechanical integrity, well-specific monitoring and reporting following the conversion, and demonstration of practical use of the converted configuration.

3. Transfer of Permit.

Under 40 CFR 144.38, this Permit is transferable provided the current Permittee notifies the Director at least thirty (30) days in advance of the proposed transfer date (EPA Form 7520-7) and provides a written agreement between the existing and new Permittees containing a specific date for transfer of Permit responsibility; coverage and liability between them. The notice shall adequately demonstrate that the financial responsibility requirements of 40 CFR 144.52(a)(7) will be met by the new Permittee. The Director may require modification or revocation and reissuance of the Permit to change the name of the Permittee and incorporate such other requirements as may be necessary under the Safe Drinking Water Act; in some cases, modification or revocation and reissuance is mandatory.

4. Permittee Change of Address.

Upon the Permittee's change of address, or whenever the operator changes the address where monitoring records are kept, the Permittee must provide written notice to the Director within 30 days.

5. Construction Changes, Workovers, Logging and Testing Data

The Permittee shall give advance notice to the Director, and shall obtain the Director's written approval prior to any physical alterations or additions to the permitted facility. Alterations or workovers shall meet all conditions as set forth in this permit. The Permittee shall record any changes to the well construction on a Well Rework Record (EPA Form 7520-12), and shall provide this and any other record of well workovers, logging, or test data to EPA within sixty (60) days of completion of the activity.

Following the completion of any well workovers or alterations which affect the casing, tubing, or packer, a successful demonstration of mechanical integrity (Part III, Section F of this Permit) shall be made, and written authorization from the Director received, prior to resuming injection activities.

Section C. SEVERABILITY

The Provisions of this Permit are severable, and if any provision of this Permit or the application of any provision of this Permit to any circumstance, is held invalid, the application of such provision to other circumstances, and the remainder of this Permit shall not be affected thereby.

Section D. CONFIDENTIALITY

In accordance with 40 CFR Part 2 and 40 CFR 144.5, information submitted to EPA pursuant to this Permit may be claimed as confidential by the submitter. Any such claim must be asserted at the time of submission by stamping the words "confidential business information" on each page containing such information. If no claim is made at the time of submission, EPA may make the information available to the public without further notice. If a claim is asserted, the validity of the claim will be assessed in accordance with the procedures in 40 CFR Part 2 (Public Information). Claims of confidentiality for the following information will be denied:

- The name and address of the Permittee, and
- information which deals with the existence, absence or level of contaminants in drinking water.

Section E. GENERAL PERMIT REQUIREMENTS

1. Duty to Comply.

The Permittee must comply with all conditions of this Permit. Any noncompliance constitutes a violation of the Safe Drinking Water Act (SDWA) and is grounds for enforcement action; for Permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application; except that the Permittee need not comply with the provisions of this Permit to the extent and for the duration such noncompliance is authorized in an emergency permit under 40 CFR 144.34. All violations of the SDWA may subject the Permittee to penalties and/or criminal prosecution as specified in Section 1423 of the SDWA.

2. Duty to Reapply.

If the Permittee wishes to continue an activity regulated by this Permit after the expiration date of this Permit, under 40 CFR 144.37 the Permittee must apply for a new permit prior to the expiration date.

3. Need to Halt or Reduce Activity Not a Defense.

It shall not be a defense for a Permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this Permit.

4. Duty to Mitigate.

The Permittee shall take all reasonable steps to minimize or correct any adverse impact on the environment resulting from noncompliance with this Permit.

5. Proper Operation and Maintenance.

The Permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the Permittee to achieve compliance with the conditions of this Permit. Proper operation and maintenance includes effective performance, adequate funding, adequate operator staffing and training, and adequate laboratory and process controls, including appropriate quality assurance procedures. This provision requires the operation of back-up or auxiliary facilities or similar systems only when necessary to achieve compliance with the conditions of this Permit.

6. Permit Actions.

This Permit may be modified, revoked and reissued or terminated for cause. The filing of a request by the Permittee for a permit modification, revocation and reissuance, or termination, or a notification of planned changes or anticipated noncompliance, does not stay any permit condition.

7. Property Rights.

This Permit does not convey any property rights of any sort, or any exclusive privilege.

8. Duty to Provide Information.

The Permittee shall furnish to the Director, within a time specified, any information which the Director may request to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The Permittee shall also furnish to the Director, upon request, copies of records required to be kept by this Permit. The Permittee is required to submit any information required by this Permit or by the Director to the mailing address designated in writing by the Director.

9. Inspection and Entry.

The Permittee shall allow the Director, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to:

- (a) Enter upon the Permittee's premises where a regulated facility or activity is located or conducted, or where records must be kept under the conditions of this Permit;

- (b) Have access to and copy, at reasonable times, any records that must be kept under the conditions of this Permit;
- (c) Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this Permit; and,
- (d) Sample or monitor at reasonable times, for the purpose of assuring permit compliance or as otherwise authorized by the SDWA, any substances or parameters at any location.

10. Signatory Requirements.

All applications, reports or other information submitted to the Director shall be signed and certified according to 40 CFR 144.32. This section explains the requirements for persons duly authorized to sign documents, and provides wording for required certification.

11. Reporting Requirements.

- (a) Planned changes. The Permittee shall give notice to the Director as soon as possible of any planned changes, physical alterations or additions to the permitted facility, and prior to commencing such changes.
- (b) Anticipated noncompliance. The Permittee shall give advance notice to the Director of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.
- (c) Monitoring Reports. Monitoring results shall be reported at the intervals specified in this Permit.
- (d) Compliance schedules. Reports of compliance or noncompliance with, or any progress reports on, interim and final requirements contained in any compliance schedule of this Permit shall be submitted no later than 30 days following each schedule date.
- (e) Twenty-four hour reporting. The Permittee shall report to the Director any noncompliance which may endanger human health or the environment, including:
 - (i) Any monitoring or other information which indicates that any contaminant may cause endangerment to a USDW; or
 - (ii) Any noncompliance with a permit condition or malfunction of the injection system which may cause fluid migration into or between USDWs.

Information shall be provided, either directly or by leaving a message, within twenty-four (24) hours from the time the permittee becomes aware of the circumstances by telephoning (800) 227-8917 and requesting EPA Region VIII UIC Program Compliance and Technical Enforcement Director, or by contacting the EPA Region VIII Emergency Operations Center at (303) 293-1788.

In addition, a follow up written report shall be provided to the Director within five (5) days of the time the Permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause, the period of noncompliance including exact dates and times, and if the noncompliance has not been corrected the anticipated time it is expected to continue; and the steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance.

- (f) Oil Spill and Chemical Release Reporting: The Permittee shall comply with all reporting requirements related to the occurrence of oil spills and chemical releases by contacting the National Response Center (NRC) at (800) 424-8802, (202) 267-2675, or through the NRC website <http://www.nrc.uscg.mil/index.htm>.
- (g) Other Noncompliance. The Permittee shall report all instances of noncompliance not reported under paragraphs Part III, Section E Paragraph 11(b) or Section E, Paragraph 11(e) at the time the monitoring reports are submitted. The reports shall contain the information listed in Paragraph 11(e) of this Section.
- (h) Other information. Where the Permittee becomes aware that it failed to submit any relevant facts in the permit application, or submitted incorrect information in a permit application or in any report to the Director, the Permittee shall promptly submit such facts or information to the Director.

Section F. FINANCIAL RESPONSIBILITY

1. Method of Providing Financial Responsibility.

The Permittee shall maintain continuous compliance with the requirement to maintain financial responsibility and resources to close, plug, and abandon the underground injection well(s). No substitution of a demonstration of financial responsibility shall become effective until the Permittee receives written notification from the Director that the alternative demonstration of financial responsibility is acceptable. The Director may, on a periodic basis, require the holder of a permit to revise the estimate of the resources needed to plug and abandon the well to reflect changes in such costs and may require the Permittee to provide a revised demonstration of financial responsibility.

2. Insolvency.

In the event of:

- (a) the bankruptcy of the trustee or issuing institution of the financial mechanism; or
- (b) suspension or revocation of the authority of the trustee institution to act as trustee; or

- (c) the institution issuing the financial mechanism losing its authority to issue such an instrument

the Permittee must notify the Director in writing, within ten (10) business days, and the Permittee must establish other financial assurance or liability coverage acceptable to the Director within sixty (60) days after any event specified in (a), (b), or (c) above.

The Permittee must also notify the Director by certified mail of the commencement of voluntary or involuntary proceedings under Title 11 (Bankruptcy), U.S. Code naming the owner or operator as debtor, within ten (10) business days after the commencement of the proceeding. A guarantor, if named as debtor of a corporate guarantee, must make such a notification as required under the terms of the guarantee.

APPENDIX A

WELL CONSTRUCTION REQUIREMENTS

See diagram.

The Federal No. 7-6-9-18 was drilled to a total depth of 6013 (KB) feet in the Basal Carbonate Member of the Green River Formation.

Surface casing (8-5/8 inch) was set at a depth of 315 feet in a 12-1/4 inch hole using 150 sacks of Class "G" cement which was circulated to the surface.

Production casing (5-1/2 inch) was set at a depth of 5991 feet (KB) in a 7-7/8 inch hole with 300 sacks of Premium Lite II and 400 sacks of 50/50 poz mix. This well construction is considered adequate to protect USDWs.

The EPA calculates the top of cement as 460 feet from the surface. The Cement Bond Log (CBL) identifies top of cement at the surface.

The schematic diagram shows enhanced recovery injection perforations in the Garden Gulch and Douglas Creek Members of the Green River Formation. Additional perforations may be added at a later time between the depths of 3772 feet and the top of the Wasatch Formation (Estimated to be 6059 feet) provided the operator first notifies the Director and later submits an updated well completion report (EPA Form 7520-12) and schematic diagram.

The packer will be required to be set no higher than 100 feet above the top perforation.

Federal #7-6-9-18

Spud Date: 4/15/04

Put on Production: 5/18/04

GL: 4996' KB: 5008'

Initial Production: 61 BOPD,
25 MCFD, 10 BWPD

Proposed Injection Wellbore Diagram

FRAC JOB

SURFACE CASING

CSG SIZE: 8-5/8"

GRADE: J-55

WEIGHT: 24#

LENGTH: 7 jts (305.05')

DEPTH LANDED: 315.05'

HOLE SIZE: 12-1/4"

CEMENT DATA: 150 sxs class G cnt, est 4.5 bbls cnt. to pit.

PRODUCTION CASING

CSG SIZE: 5-1/2"

GRADE: J-55

WEIGHT: 15.5#

LENGTH: 135 jts. (5992.69')

DEPTH LANDED: 5990.69'

HOLE SIZE: 7-7/8"

CEMENT DATA: 300 sxs Premilite II and 400 sxs 50/50 POZ

CEMENT TOP AT: surface

TUBING

SIZE/GRADE/WT.: 2-7/8" / J-55 / 6.5#

NO. OF JOINTS: 179 jts (5548.12')

TUBING ANCHOR: 5560.12' KB

NO. OF JOINTS: 1 jt (31.17')

SN LANDED AT: 5594.09' KB

NO. OF JOINTS: 2 jts (61.92')

TOTAL STRING LENGTH: 5657.56'

Cement top @ surface

421' Base USRWs

315'

05/12/04 5603'-5612'

05/12/04 5224'-5289'

05/12/04 4894'-4915'

05/13/04 4231'-4321'

11/26/05

Frac CP2 sands as follows:

41,461# 20/40 sand in 389 bbls Lightning 17 frac fluid. Treated @ avg pressure of 1521 psi w/avg rate of 25.1 BPM. ISIP-1796. Calc. flush: 5601 gals. Actual flush: 5603 gals.

Frac LODC and A3 sands as follows:

106,076# 20/40 sand in 760 bbls Lightning 17 frac fluid. Treated @ avg pressure of 1243 psi w/avg rate of 24.9 BPM. ISIP-1581. Calc. flush: 5222 gals. Actual flush: 5221 gals.

Frac C sands as follows:

93,689# 20/40 sand in 689 bbls Lightning 17 frac fluid. Treated @ avg pressure of 1392 psi w/avg rate of 25.2 BPM. ISIP-1631. Calc. flush: 4892 gals. Actual flush: 4884 gals.

Frac GB6 and GB4 sands as follows:

153,854# 20/40 sand in 987 bbls Lightning 17 frac fluid. Treated @ avg pressure of 1934 psi w/avg rate of 25.3 BPM. ISIP-2288. Calc. flush: 4229 gals. Actual flush: 4145 gals.

Tubing leak. Update rod and tubing details.

Packer @ 4196'

4231'-4239'

4254'-4266'

4293'-4321'

4716' Douglas Creek

4894'-4915'

5224'-5229'

5240'-5252'

5276'-5289'

Castle Peak 5524'

5603'-5612'

5934' Basel Carbonate
PBTD @ 5967'

SHOE @ 5991'

TD @ 6013'

Est 6059' K12534th

PERFORATION RECORD

05/07/04	5503'-5612'	4 JSPF	36 holes
05/12/04	5276'-5289'	4 JSPF	52 holes
05/12/04	5240'-5252'	4 JSPF	48 holes
05/12/04	5224'-5229'	4 JSPF	20 holes
05/12/04	4894'-4915'	4 JSPF	84 holes
05/13/04	4293'-4321'	4 JSPF	112 holes
05/13/04	4254'-4266'	4 JSPF	48 holes
05/13/04	4231'-4239'	4 JSPF	32 holes

NEWFIELD

Federal #7-6-9-18

2553' FNL & 1910' FEL

SWNE Section 6-T9S-R18E

Uintah County, Utah

API #43-047-34934; Lease #UTU-65970

APPENDIX C

OPERATING REQUIREMENTS

MAXIMUM ALLOWABLE INJECTION PRESSURE:

Maximum Allowable Injection Pressure (MAIP) as measured at the surface shall not exceed the pressure(s) listed below.

WELL NAME	MAXIMUM ALLOWED INJECTION PRESSURE (psi)
	ZONE 1 (Upper)
Federal 7-6-9-18	1,270

INJECTION INTERVAL(S):

Injection is permitted only within the approved injection interval listed below. Injection perforations may be altered provided they remain within the approved injection interval and the Permittee provides notice to the Director in accordance with Part II, Section A, Paragraph 6. Specific injection perforations can be found in Appendix A.

WELL NAME: Federal 7-6-9-18			
FORMATION NAME	APPROVED INJECTION INTERVAL (KB, ft)		FRACTURE GRADIENT (psi/ft)
	TOP	BOTTOM	
Green River	3,772.00 - 6,059.00		0.740

ANNULUS PRESSURE:

The annulus pressure shall be maintained at zero (0) psi as measured at the wellhead. If this pressure cannot be maintained, the Permittee shall follow the procedures listed under Part II, Section C. 6. of this permit.

MAXIMUM INJECTION VOLUME:

There is no limitation on the number of barrels per day (bbls/day) of water that shall be injected into this well, provided further that in no case shall injection pressure exceed that limit shown in Appendix C.

APPENDIX B

LOGGING AND TESTING REQUIREMENTS

Logs.

Logs will be conducted according to current UIC guidance. It is the responsibility of the Permittee to obtain and use guidance prior to conducting any well logging required as a condition of this permit.

NO LOGGING REQUIREMENTS

Tests.

Tests will be conducted according to current UIC guidance. It is the responsibility of the Permittee to obtain and use guidance prior to conducting any well test required as a condition of this permit.

WELL NAME: Federal 7-6-9-18	
TYPE OF TEST	DATE DUE
Standard Annulus Pressure	Prior to receiving authorization to inject and at least once every five (5) years after the last successful pressure test.
Pore Pressure	Prior to receiving authorization to inject.

APPENDIX D

MONITORING AND REPORTING PARAMETERS

This is a listing of the parameters required to be observed, recorded, and reported. Refer to the permit Part II, Section D, for detailed requirements for observing, recording, and reporting these parameters.

OBSERVE MONTHLY AND RECORD AT LEAST ONCE EVERY THIRTY DAYS	
OBSERVE AND RECORD	Injection pressure (psig)
	Annulus pressure(s) (psig)
	Injection rate (bbl/day)
	Fluid volume injected since the well began injecting (bbls)

ANNUALLY	
ANALYZE	Injected fluid total dissolved solids (mg/l)
	Injected fluid specific gravity
	Injected fluid specific conductivity
	Injected fluid pH

ANNUALLY	
REPORT	Each month's maximum and averaged injection pressures (psig)
	Each month's maximum and minimum annulus pressure(s) (psig)
	Each month's injected volume (bbl)
	Fluid volume injected since the well began injecting (bbl)
	Written results of annual injected fluid analysis
	Sources of all fluids injected during the year

Records of all monitoring activities must be retained and made available for inspection at the following location:

Newfield Production Company
1401 Seventeenth Street - Suite 1000
Denver, CO 80202

APPENDIX E

PLUGGING AND ABANDONMENT REQUIREMENTS

See diagram.

See diagram.

The well shall be plugged in a manner that isolates the injection zone and prevents movement of fluid into or between USDWs and in accordance with other applicable Federal, State or local law or regulation. Tubing, packers, and any downhole apparatus shall be removed. Class A, C, G, and H cements, with additives such as accelerators and retarders that control or enhance cement properties, may be used for plugs. However, volume extending additives and gel cements are not approved for plug use. Plug placement shall be verified by tagging. Plugging gel of at least 9.2 lb/gal shall be placed between all plugs. Within sixty (60) days after plugging, the owner or operator shall submit Plugging Record (EPA Form 7520-13) to the Director. The Plugging Record must be certified as accurate and complete by the person responsible for the plugging operation. At a minimum, the following plugs are required:

PLUG NO. 1: Seal Injection Zone: Set a cast iron bridge plug (CIBP) no more than fifty (50) feet above the top perforation with a minimum twenty (20) foot cement plug on top of the CIBP.

PLUG NO. 2: Seal Trona & Mahogany Bench zones: Squeeze a cement plug on the backside of the 5-1/2" casing across the Trona Zone and the Mahogany Bench between approximately 2900 feet to 3050 feet (unless pre-existing backside cement precludes cement-squeezing this interval) followed by a minimum 150 ft balanced cement plug inside the 5-1/2" casing across the Trona Zone and the Mahogany Bench, approximately 2900 feet to 3050 ft.

PLUG NO. 3: Seal Top of Green River: Squeeze a cement plug (2160 feet - 2260 feet) on the backside of the 5-1/2" casing across the base of the Uinta Formation-top of Green River Formation (unless pre-existing backside cement precludes cement-squeezing this interval), followed by a minimum 100-foot balanced cement plug inside the 5-1/2" casing across the base of the Uinta Formation-top of Green River Formation from approximately 2160 feet to 2260 feet.

PLUG NO.4: Seal Surface: Set a Class "G" cement plug within the 5-1/2 inch casing to 365 feet and up the 5-1/2 inch by 8-5/8 inch casings annulus to the surface.

Spud Date: 4/15/04

Put on Production: 5/18/04

GL: 4996' KB: 5008'

Federal #7-6-9-18

Proposed P & A Wellbore Diagram

SURFACE CASING

CSG SIZE: 8-5/8"

GRADE: J-55

WEIGHT: 24#

LENGTH: 7 jts (305.05')

DEPTH LANDED: 315.05'

HOLE SIZE: 12-1/4"

CEMENT DATA: 150 sxs class G cmt, est 4.5 bbls cmt. to pit.

PRODUCTION CASING

CSG SIZE: 5-1/2"

GRADE: J-55

WEIGHT: 15.5#

LENGTH: 135 jts. (5992.69')

DEPTH LANDED: 5990.69'

HOLE SIZE: 7-7/8"

CEMENT DATA: 300 sxs Premilite II and 400 sxs 50/50 POZ

CEMENT TOP AT: surface

Cement top @ surface

Pump 42 sx Class G Cement down 5 - 1/2" casing to 365'

Casing Shoe @ 315'

2160' - 2260' Cement Plug

2944' Trona
2988' - 3000' Mahogany Beach

3584' - 3772' Confining Zone
Gardner Gulch 3772'

26' Class G Cement plug on top of CIBP

CIBP @ 4180'

4171' - 4239'

4254' - 4266'

4293' - 4321'

4716' Douglas Creek

4894' - 4915'

5224' - 5229'

5240' - 5252'

5276' - 5289'

5524' Castle Peak

5603' - 5612'

5994' Bassel Carbonate
PBD @ 5967'

SHOE @ 5991'

TD @ 6013'

Est. 6059' W. Wash

NEWFIELD

Federal #7-6-9-18

2553' FNL & 1910' FEL

SWNE Section 6-T9S-R18E

Uintah County, Utah

API #43-047-34934; Lease #UTU-65970

APPENDIX F

CORRECTIVE ACTION REQUIREMENTS

No corrective action is deemed necessary for this project.

STATEMENT OF BASIS

NEWFIELD PRODUCTION COMPANY

**FEDERAL 7-6-9-18
UINTAH COUNTY, UT**

EPA PERMIT NO. UT21114-07546

CONTACT: Emmett Schmitz
U. S. Environmental Protection Agency
Ground Water Program, 8P-W-GW
1595 Wynkoop Street
Denver, Colorado 80202-1129
Telephone: 1-800-227-8917 ext. 312-6174

This STATEMENT OF BASIS gives the derivation of site-specific UIC Permit conditions and reasons for them. Referenced sections and conditions correspond to sections and conditions in the Permit.

EPA UIC permits regulate the injection of fluids into underground injection wells so that the injection does not endanger underground sources of drinking water. EPA UIC permit conditions are based upon the authorities set forth in regulatory provisions at 40 CFR Parts 144 and 146, and address potential impacts to underground sources of drinking water. Under 40 CFR 144.35 Issuance of this permit does not convey any property rights of any sort or any exclusive privilege, nor authorize injury to persons or property or invasion of other private rights, or any infringement of other Federal, State or local laws or regulations. Under 40 CFR 144 Subpart D, certain conditions apply to all UIC Permits and may be incorporated either expressly or by reference. General Permit conditions for which the content is mandatory and not subject to site-specific differences (40 CFR Parts 144, 146 and 147) are not discussed in this document.

Upon the Effective Date when issued, the Permit authorizes the construction and operation of injection wells so that the injection does not endanger underground sources of drinking water, governed by the conditions specified in the Permit. The Permit is issued for the operating life of the injection well or project unless terminated for reasonable cause under 40 CFR 144.39, 144.40 and 144.41. The Permit is subject to EPA review at least once every five (5) years to determine if action is required under 40 CFR 144.36(a).

PART I. General Information and Description of Facility

Newfield Production Company
1401 Seventeenth Street, Suite 1000
Denver, CO 80202

on

November 6, 2006

submitted an application for an Underground Injection Control (UIC) Program Permit or Permit Modification for the following injection well or wells:

Federal 7-6-9-18
2553' FNL 1910' FEL, SWNE S6, T9S, R18E
Uintah County, UT

Regulations specific to Uintah-Ouray Indian Reservation injection wells are found at 40 CFR 147 Subpart TT.

The application, including the required information and data necessary to issue or modify a UIC Permit in accordance with 40 CFR Parts 144, 146 and 147, was reviewed and determined by EPA to be complete.

The Permit will expire upon delegation of primary enforcement responsibility (primacy) for applicable portions of the UIC Program to the Ute Indian Tribe or the State of Utah unless the delegated agency has the authority and chooses to adopt and enforce this Permit as a Tribal or State Permit.

TABLE 1.1 shows the status of the well or wells as "New", "Existing", or "Conversion" and for Existing shows the original date of injection operation. Well authorization "by rule" under 40 CFR Part 144 Subpart C expires automatically on the Effective Date of an issued UIC Permit.

The Federal No. 7-6-9-18 is an active Garden Gulch and Douglas Creek Members of the Green River Formation oil well. The applicant intends to convert this facility to an enhanced recovery injection well initially utilizing existing production perforations.

TABLE 1.1
WELL STATUS / DATE OF OPERATION

NEW WELLS		
Well Name	Well Status	Date of Operation
Federal 7-6-9-18	New	N/A

Hydrogeologic Setting

Throughout the Greater Monument Butte Field area undergoing enhanced oil recovery operations, water analyses of the Green River Formation generally exhibit total dissolved solids (TDS) content well in excess of 10,000 mg/l. However, some recent water analyses from the field showed lower TDS values closer to 10,000 mg/l. While rain and surface water recharge into Green River Formation outcrops further south along the Book Cliffs/Roan Cliffs in effect "freshens" the Green River Formation water near those outcrops, in this area of the Monument Butte Field the observed occasional 'freshening' is ascribed to the effective dilution of the originally in-place high TDS water from injection of relatively fresh water for enhanced oil recovery operations. Water samples from deeper Mesaverde Formation sands in the nearby Natural Buttes Unit yield highly saline water.

Geologic Setting (TABLE 2.1)

The proposed enhanced oil recovery injection well is located in the Greater Monument Butte Field, T7-8-9S and R15-18E, which lies near the center of the broad, gently northward dipping south flank of the Uinta Basin. More than 450 million barrels of oil (63 MT) have been produced from sediments of the Uinta Basin. The Uinta Basin is a topographic and structural trough encompassing an area of more than 9300 square mi (14,900 km) in northeast Utah. The basin is sharply asymmetrical, with a steep north flank bounded by the east-west-trending Uinta Mountains, and a gently dipping south flank. The Uinta Basin was formed in Paleocene to Eocene time, creating a large area of internal drainage which was filled by the ancestral Lake Uinta. The lacustrine, or fresh water lake-formed, sediments deposited in and around Lake Uinta make up the Uintah and Green River Formations. The southern shore of Lake Uinta was very broad and flat, resulting in large cyclic shifts of the location of the shoreline during the many repeated transgressive and regressive cycles caused by the climatic and tectonic-induced rise and fall of water levels of the lake. Distributary-mouth bars, distributary channels, and near-shore bars are the primary oil producing sandstone reservoirs in the area. (Ref: "Reservoir Characterization of the Lower Green River Formation, Southwest Uinta Basin, Utah Biannual Technical Progress Report, 4/1/99-9/30/99", by C. D. Morgan, Program Manager, November 1999, Contract DE-AC26-98BC15103).

The Duchesne River Formation is absent in this area. Shale and siltstone of the Uintah Formation outcrop and compose the surface rock throughout the area. The lower 600 ft to 800 ft of the Uinta Formation, consisting generally of shale interbedded with occasionally water-bearing sandstone lenses between 5 ft to 20 ft thick, is underlain by the Green River Formation. The Green River Formation is further subdivided into several Member and local marker units. The cyclic nature of Green River deposition in the southern shore area resulted in numerous stacked, intertonguing deltaic and near-shore sand and silt deposits. Red alluvial shale and siltstone deposits that intertongue with the Green River sediments are of the Colton and Wasatch Formations. Under the Wasatch Formation is the Mesaverde Formation, which consists primarily of continental-origin deposits of interbedded shale, sandstone, and coal.

The geologic dip is about 200'/mile, and there are no known surface faults in this area. Veins of gilsonite, a natural resinous hydrocarbon occasionally mined as a resource, occurs in the greater Uintah Basin though it is predominantly found on the eastern margin of the basin near the Colorado border. Vertical veins, generally between 2 ft to 6 ft wide but up to 28 ft wide, may extend many miles in length and occasionally extend as deep as 2000 ft. In this area within the Greater Monument Butte Field there is one known gilsonite vein. This vein is not considered to present a pathway for migration of fluid out of the injection zone because it terminates at depth of about

2000 ft, far above the protective confining layer and much deeper injection zone. Newfield and the owner of this former gilsonite mine have agreed to conditions for operation near this vein to ensure no potential for impact to this vein or to ground water from enhanced oil recovery operations.

TABLE 2.1
GEOLOGIC SETTING
Federal 7-6-9-18

Formation Name	Top (ft)	Base (ft)	TDS (mg/l)	Lithology
Uinta USDW	0	211	< 10,000	Sand and shale.
Uinta	0	2,210	> 10,000	Predominantly sand and shale.
Green River Confining Zone	3,584	3,772	> 10,000	Predominantly shale with minor impervious sand intervals.
Green River-Garden Gulch Member	3,772	4,716	> 10,000	Interbedded lacustrine sand, shale and carbonate and fluvial sand and shale.
Green River-Douglas Creek Member	4,716	5,934	> 10,000	Interbedded lacustrine sand, shale and carbonate with fluvial sand and shale.
Green River-Basal Carbonate Mem.	5,934	6,059		Carbonate

Proposed Injection Zone(s) (TABLE 2.2)

An injection zone is a geological formation, group of formations, or part of a formation that receives fluids through a well. The proposed injection zones are listed in TABLE 2.2.

Injection will occur into an injection zone that is separated from USDWs by a confining zone which is free of known open faults or fractures within the Area of Review.

The approved interval for enhanced recovery injection is located between the top of the Garden Gulch Member (3772 feet) and the top of the Wasatch Formation which is estimated to be 6059 feet.

TABLE 2.2
INJECTION ZONES
Federal 7-6-9-18

Formation Name	Top (ft)	Base (ft)	TDS (mg/l)	Fracture Gradient (psi/ft)	Porosity	Exempted?*
Green River	3,772	6,059	> 10,000	0.740		N/A

* C - Currently Exempted
E - Previously Exempted
P - Proposed Exemption
N/A - Not Applicable

Confining Zone(s) (TABLE 2.3)

A confining zone is a geological formation, part of a formation, or a group of formations that limits fluid movement above the injection zone. The confining zone or zones are listed in TABLE 2.3.

The 188-foot predominantly shale Confining Zone overlies the top of the Garden Gulch Member between the depths of 3584 feet and 3772 feet. 80% bond index cement bond occurs between 3512 feet and 3750 feet.

TABLE 2.3
CONFINING ZONES
Federal 7-6-9-18

Formation Name	Formation Lithology	Top (ft)	Base (ft)
Green River	Shale with minor impervious sand lenses.	3,584	3,772

Underground Sources of Drinking Water (USDWs) (TABLE 2.4)

Aquifers or the portions thereof which contain less than 10,000 mg/l total dissolved solids (TDS) and are being or could in the future be used as a source of drinking water are considered to be USDWs. The USDWs in the area of this facility are identified in TABLE 2.4.

The State of Utah "Water Wells and Springs" identifies no public water supply wells within the one-quarter (1/4) mile Area-of-Review (AOR) around the Federal No. 7-6-9-18.

Technical Publication No. 92: State of Utah, Department of Natural Resources, cites the base of Underground Sources of Drinking Water (USDW) in the Uinta Formation, approximately 211 feet from the surface.

TABLE 2.4
UNDERGROUND SOURCES OF DRINKING WATER (USDW)
Federal 7-6-9-18

Formation Name	Formation Lithology	Top (ft)	Base (ft)	TDS (mg/l)
Uinta	Sand and shale.	0	211	< 10,000

PART III. Well Construction (40 CFR 146.22)

The Federal No. 7-6-9-18 was drilled to a total depth of 6013 (KB) feet in the Basal Carbonate Member of the Green River Formation.

Surface casing (8-5/8 inch) was set at a depth of 315 feet in a 12-1/4 inch hole using 150 sacks of Class "G" cement which was circulated to the surface.

Production casing (5-1/2 inch) was set at a depth of 5991 feet (KB) in a 7-7/8 inch hole with 300 sacks of Premium Lite II and 400 sacks of 50/50 poz mix. This well construction is considered adequate to protect USDWs.

The EPA calculates the top of cement as 460 feet from the surface. The Cement Bond Log (CBL) identifies top of cement at the surface.

The schematic diagram shows enhanced recovery injection perforations in the Garden Gulch and Douglas Creek Members of the Green River Formation. Additional perforations may be added at a later time between the depths of 3772 feet and the top of the Wasatch Formation (Estimated to be 6059 feet) provided the operator first notifies the Director and later submits an updated well completion report (EPA Form 7520-12) and schematic diagram.

The packer will be required to be set no higher than 100 feet above the top perforation.

TABLE 3.1
WELL CONSTRUCTION REQUIREMENTS
Federal 7-6-9-18

Casing Type	Hole Size (in)	Casing Size (in)	Cased Interval (ft)	Cemented Interval (ft)
Production	7.88	5.50	0 - 5,991	211 - 5,991
Surface	12.25	8.63	0 - 315	0 - 315

The approved well completion plan will be incorporated into the Permit as APPENDIX A and will be binding on the Permittee. Modification of the approved plan is allowed under 40 CFR 144.52(a)(1) provided written approval is obtained from the Director prior to actual modification.

Casing and Cementing (TABLE 3.1)

The well construction plan was evaluated and determined to be in conformance with standard practices and guidelines that ensure well injection does not result in the movement of fluids into USDWs. Well construction details for this "new" injection well is shown in TABLE 3.1.

Remedial cementing may be required if the casing cement is shown to be inadequate by cement bond log or other demonstration of Part II (External) mechanical integrity.

Tubing and Packer

Injection tubing is required to be installed from a packer up to the surface inside the well casing. The packer will be set above the uppermost perforation. The tubing and packer are designed to prevent injection fluid from coming into contact with the outermost casing.

Tubing-Casing Annulus (TCA)

The TCA allows the casing, tubing and packer to be pressure-tested periodically for mechanical integrity, and will allow for detection of leaks. The TCA will be filled with fresh water treated with a corrosion inhibitor or other fluid approved by the Director.

The tubing/casing annulus must be kept closed at all times so that it can be monitored as required under terms of the Permit.

Monitoring Devices

The permittee will be required to install and maintain wellhead equipment that allows for monitoring pressures and providing access for sampling the injected fluid. Required equipment may include but is not limited to: 1) shut-off valves located at the wellhead on the injection tubing and on the TCA; 2) a flow meter that measures the cumulative volume of injected fluid; 3) fittings or pressure gauges attached to the injection tubing and the TCA for monitoring the injection and TCA pressure; and 4) a tap on the injection line, isolated by shut-off valves, for sampling the injected fluid.

All sampling and measurement taken for monitoring must be representative of the monitored activity.

PART IV. Area of Review, Corrective Action Plan (40 CFR 144.55)

TABLE 4.1
AOR AND CORRECTIVE ACTION

Well Name	Type	Status (Abandoned Y/N)	Total Depth (ft)	TOC Depth (ft)	CAP Required (Y/N)
Federal 6-6-9-18	Producer	No	5,950	160	No
Federal 10-6-9-18	Producer	No	5,970	400	No

TABLE 4.1 lists the wells in the Area of Review ("AOR") and shows the well type, operating status, depth, top of casing cement ("TOC") and whether a Corrective Action Plan ("CAP") is required for the well.

Applicants for Class I, II (other than "existing" wells) or III injection well Permits are required to identify the location of all known wells within the injection well's Area of Review (AOR) which penetrate the injection zone, or in the case of Class II wells operating over the fracture pressure of the formation, all known wells within the area of review that penetrate formations which may be affected by increased pressure. Under 40 CFR 146.6 the AOR may be a fixed radius of not less than one quarter (1/4) mile or a calculated zone of endangering influence. For Area Permits, a fixed width of not less than one quarter (1/4) mile for the circumscribing area may be used.

Corrective Action Plan

For wells in the AOR which are improperly sealed, completed, or abandoned, the applicant shall develop a Corrective Action Plan (CAP) consisting of the steps or modifications that are necessary to prevent movement of fluid into USDWs.

The CAP will be incorporated into the Permit as APPENDIX F and become binding on the permittee.

PART V. Well Operation Requirements (40 CFR 146.23)

TABLE 5.1
INJECTION ZONE PRESSURES
Federal 7-6-9-18

Formation Name	Depth Used to Calculate MAIP (ft)	Fracture Gradient (psi/ft)	Initial MAIP (psi)
Green River	4,231	0.740	1,270

Approved Injection Fluid

The approved injection fluid is limited to Class II injection well fluids pursuant to 40 CFR § 144.6(b). For disposal wells injecting water brought to the surface in connection with natural gas storage operations, or conventional oil or natural gas production, the fluid may be commingled and the well used to inject other Class II wastes such as drilling fluids and spent well completion, treatment and stimulation fluid. Injection of non-exempt wastes, including unused fracturing fluids or acids, gas plant cooling tower cleaning wastes, service wastes, and vacuum truck and drum rinsate from trucks and drums transporting or containing non-exempt waste, is prohibited.

The proposed injectate will be a blend of culinary water from the Johnson Water District reservoir and produced water from wells proximate to the Federal No. 7-6-9-18.

Injection Pressure Limitation

Injection pressure, measured at the wellhead, shall not exceed a maximum calculated to assure that the pressure used during injection does not initiate new fractures or propagate existing fractures in the confining zones adjacent to the USDWs.

The applicant submitted injection fluid density and injection zone data which was used to calculate a formation fracture pressure and to determine the maximum allowable injection pressure (MAIP), as measured at the surface, for this Permit.

TABLE 5.1 lists the fracture gradient for the injection zone and the approved MAIP, determined according to the following formula:

$$FP = [fg - (0.433 * sg)] * d$$

FP = formation fracture pressure (measured at surface)

fg = fracture gradient (from submitted data or tests)

sg = specific gravity (of injected fluid)

d = depth to top of injection zone (or top perforation)

Injection Volume Limitation

Cumulative injected fluid volume limits are set to assure that injected fluids remain within the boundary of the exempted area. Cumulative injected fluid volume is limited when injection occurs into an aquifer that has been exempted from protection as a USDW.

There will be no restrictions on the cumulative volume of authorized fluid injected into the Green River Formation interval 3772 feet to the top of the Wasatch Formation which is estimated to be 6059 feet.

Mechanical Integrity (40 CFR 146.8)

An injection well has mechanical integrity if:

1. there is no significant leak in the casing, tubing, or packer (Part I); and
2. there is no significant fluid movement into a USDW through vertical channels adjacent to the injection well bore (Part II).

The Permit prohibits injection into a well which lacks mechanical integrity.

The Permit requires that the well demonstrate mechanical integrity prior to injection and periodically thereafter. A demonstration of mechanical integrity includes both internal (Part I) and external (Part II). The methods and frequency for demonstrating Part I and Part II mechanical integrity are dependent upon well-specific conditions as explained below.

Well construction and site-specific conditions dictate the following requirements for Mechanical Integrity (MI) demonstrations:

PART I MI: Internal MI will be demonstrated prior to beginning injection. Since this well is constructed with a standard casing, tubing, and packer configuration, a successful mechanical integrity test (MIT) is required to take place at least once every five (5) years. A demonstration of Part I MI is also required prior to resuming injection following any workover operation that affects the casing, tubing or packer. Part I MI may be demonstrated by a standard tubing-casing annulus

pressure test using the maximum permitted injection pressure or 1000 psi, which ever is less, with a ten (10) percent or less pressure loss over thirty (30) minutes.

PART VI. Monitoring, Recordkeeping and Reporting Requirements

Injection Well Monitoring Program

At least once a year the permittee must analyze a sample of the injected fluid for total dissolved solids (TDS), specific conductivity, pH, and specific gravity. This analysis shall be reported to EPA annually as part of the Annual Report to the Director. Any time a new source of injected fluid is added, a fluid analysis shall be made of the new source.

Instantaneous injection pressure, injection flow rate, cumulative fluid volume and TCA pressures must be observed on a weekly basis. A recording, at least once every thirty (30) days, must be made of the injection pressure, injection flow rate and cumulative fluid volume, and the maximum and average value for each must be determined for each month. This information is required to be reported annually as part of the Annual Report to the Director.

PART VII. Plugging and Abandonment Requirements (40 CFR 146.10)

Plugging and Abandonment Plan

Prior to abandonment, the well shall be plugged in a manner that isolates the injection zone and prevents movement of fluid into or between USDWs, and in accordance with any applicable Federal, State or local law or regulation. Tubing, packer and other downhole apparatus shall be removed. Cement with additives such as accelerators and retarders that control or enhance cement properties may be used for plugs; however, volume-extending additives and gel cements are not approved for plug use. Plug placement shall be verified by tagging. Plugging gel of at least 9.6 lb/gal shall be placed between all plugs. A minimum 50 ft surface plug shall be set inside and outside of the surface casing to seal pathways for fluid migration into the subsurface. Within sixty (60) days after plugging the owner or operator shall submit Plugging Record (EPA Form 7520 13) to the Director. The Plugging Record must be certified as accurate and complete by the person responsible for the plugging operation. The plugging and abandonment plan is described in Appendix E of the Permit.

See diagram.

The well shall be plugged in a manner that isolates the injection zone and prevents movement of fluid into or between USDWs and in accordance with other applicable Federal, State or local law or regulation. Tubing, packers, and any downhole apparatus shall be removed. Class A, C, G, and H cements, with additives such as accelerators and retarders that control or enhance cement properties, may be used for plugs. However, volume extending additives and gel cements are not approved for plug use. Plug placement shall be verified by tagging. Plugging gel of at least 9.2 lb/gal shall be placed between all plugs. Within sixty (60) days after plugging, the owner or operator shall submit Plugging Record (EPA Form 7520-13) to the Director. The Plugging Record must be certified as accurate and complete by the person responsible for the plugging operation. At a minimum, the following plugs are required:

PLUG NO. 1: Seal Injection Zone: Set a cast iron bridge plug (CIBP) no more than fifty (50) feet above the top perforation with a minimum twenty (20) foot cement plug on top of the CIBP.

PLUG NO. 2: Seal Trona & Mahogany Bench zones: Squeeze a cement plug on the backside of

the 5-1/2" casing across the Trona Zone and the Mahogany Bench between approximately 2900 feet to 3050 feet (unless pre-existing backside cement precludes cement-squeezing this interval) followed by a minimum 150 ft balanced cement plug inside the 5-1/2" casing across the Trona Zone and the Mahogany Bench, approximately 2900 feet to 3050 ft.

PLUG NO. 3: Seal Top of Green River: Squeeze a cement plug (2160 feet - 2260 feet) on the backside of the 5-1/2" casing across the base of the Uinta Formation-top of Green River Formation (unless pre-existing backside cement precludes cement-squeezing this interval), followed by a minimum 100-foot balanced cement plug inside the 5-1/2" casing across the base of the Uinta Formation-top of Green River Formation from approximately 2160 feet to 2260 feet.

PLUG NO.4: Seal Surface: Set a Class "G" cement plug within the 5-1/2 inch casing to 365 feet and up the 5-1/2 inch by 8-5/8 inch casings annulus to the surface.

PART VIII. Financial Responsibility (40 CFR 144.52)

Demonstration of Financial Responsibility

The permittee is required to maintain financial responsibility and resources to close, plug, and abandon the underground injection operation in a manner prescribed by the Director. The permittee shall show evidence of such financial responsibility to the Director by the submission of a surety bond, or other adequate assurance such as financial statements or other materials acceptable to the Director. The Regional Administrator may, on a periodic basis, require the holder of a lifetime permit to submit a revised estimate of the resources needed to plug and abandon the well to reflect inflation of such costs, and a revised demonstration of financial responsibility if necessary. Initially, the operator has chosen to demonstrate financial responsibility with:

A Financial Statement that was reviewed and approved by the EPA on June 22, 2007.

Financial Statement, received April 22, 2005

Evidence of continuing financial responsibility is required to be submitted to the Director annually.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, recenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NUMBER: USA UTU-65970
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: Route 3 Box 3630 CITY Myton STATE UT ZIP 84052		7. UNIT or CA AGREEMENT NAME: SUNDANCE UNIT
4. LOCATION OF WELL: FOOTAGES AT SURFACE: 2553 FNL 1910 FEL		8. WELL NAME and NUMBER: FEDERAL 7-6-9-18
OTR/OTR. SECTION. TOWNSHIP. RANGE. MERIDIAN: SWNE, 6, T9S, R18E		9. API NUMBER: 4304734934
		10. FIELD AND POOL, OR WILDCAT: MONUMENT BUTTE
		COUNTY: UINTAH
		STATE: UT

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of Work Completion: 03/26/2009	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input checked="" type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/STOP)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: -
	<input checked="" type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The above listed well was converted from a producing oil well to an Injection well on 3/26/09.

On 3/25/09 Margo Smith with the EPA was contacted concerning the initial MIT on the above listed well. Permission was given at that time to perform the test on 3/30/09. On 3/30/09 the csg was pressured up to 1440 psig and charted for 30 minutes with no pressure loss. The well was not injecting during the test. The tbg pressure was 280 psig during the test. There was not an EPA representative available to witness the test.

EPA# UT21114-07546

API# 43-047-34934

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

NAME (PLEASE PRINT) Callie Ross TITLE Production Clerk
SIGNATURE *Callie Ross* DATE 04/01/2009

(This space for State use only)

RECEIVED

APR 06 2009

DIV. OF OIL, GAS & MINING

Mechanical Integrity Test

Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
Underground Injection Control Program
999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____ Date: 3/30/09

Test conducted by: Trefley J. Ruzer

Others present: _____

Well Name: <u>Fed 7-6-9-18</u>	Type: ER SWD	Status: AC TA UC
Field: <u>MONUMENT Butte</u>		
Location: <u>SW/NE</u> Sec: <u>6</u> T <u>9</u> N <u>18</u> E W County: <u>Uintah</u> State: <u>UT</u>		
Operator: <u>Newfield</u>		
Last MIT: <u>1</u> / <u>1</u>	Maximum Allowable Pressure: _____ PSIG	

Is this a regularly scheduled test? ☐ Yes ☒ No
 Initial test for permit? ☒ Yes ☐ No
 Test after well rework? ☐ Yes ☒ No
 Well injecting during test? ☐ Yes ☒ No If Yes, rate: _____ bpd

Pre-test casing/tubing annulus pressure: 2 psig

MIT DATA TABLE	Test #1	Test #2	Test #3
TUBING PRESSURE			
Initial Pressure	<u>280</u> psig	psig	psig
End of test pressure	<u>280</u> psig	psig	psig
CASING / TUBING ANNULUS PRESSURE			
0 minutes	<u>1440</u> psig	psig	psig
5 minutes	<u>1440</u> psig	psig	psig
10 minutes	<u>1440</u> psig	psig	psig
15 minutes	<u>1440</u> psig	psig	psig
20 minutes	<u>1440</u> psig	psig	psig
25 minutes	<u>1440</u> psig	psig	psig
30 minutes	<u>1440</u> psig	psig	psig
_____ minutes	<u>—</u> psig	psig	psig
_____ minutes	<u>—</u> psig	psig	psig
RESULT	<input checked="" type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail

Does the annulus pressure build back up after the test? ☐ Yes ☒ No

MECHANICAL INTEGRITY PRESSURE TEST

Additional comments for mechanical integrity pressure test, such as volume of fluid added to annulus and bled back at end of test, reason for failing test (casing head leak, tubing leak, other), etc.:

Signature of Witness: _____

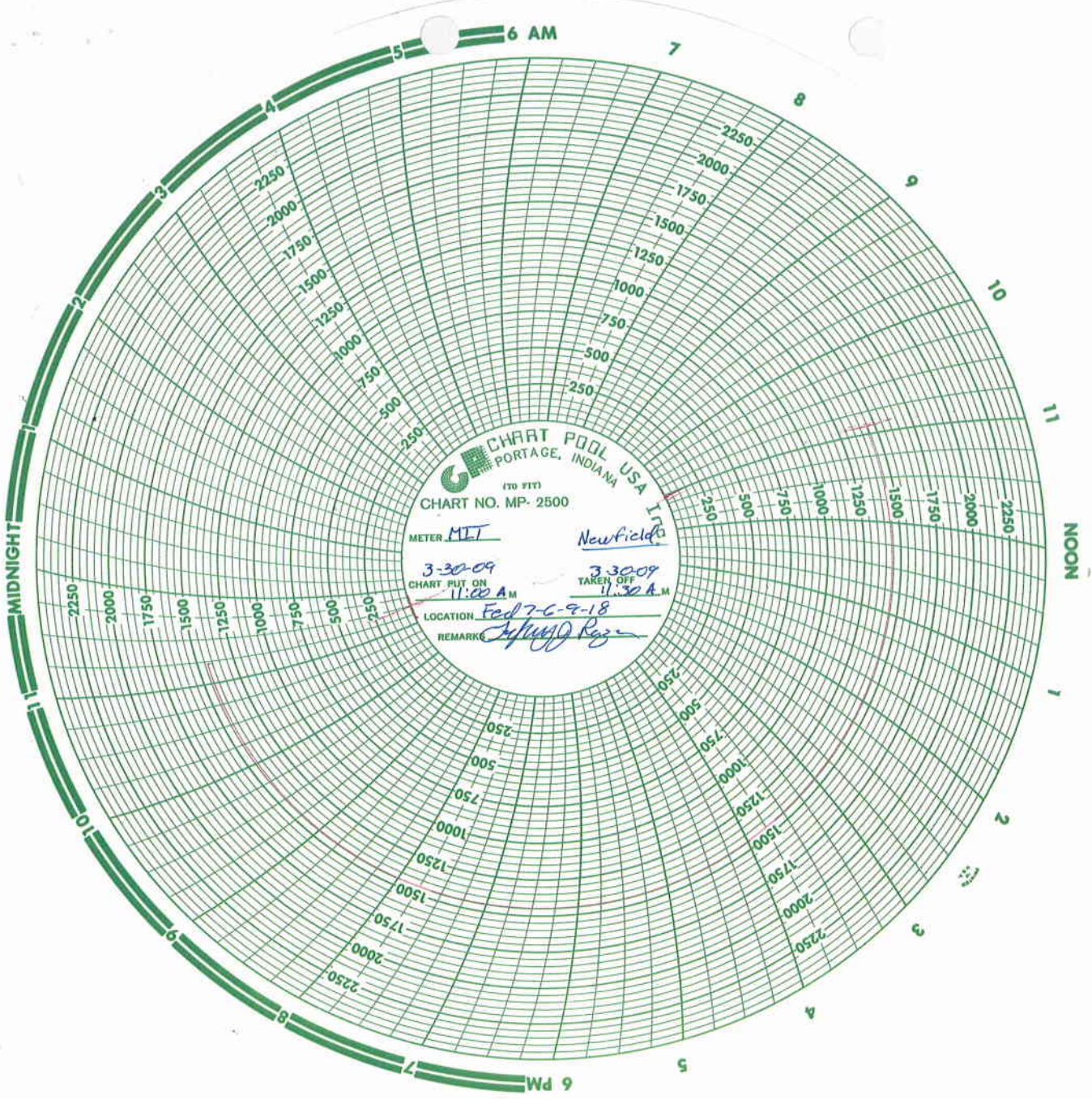


CHART POOL USA
PORTAGE, INDIANA
(TO FIT)
CHART NO. MP-2500
METER MIT Newfield
3-30-09 3-30-09
CHART PUT ON 11:00 A.M. TAKEN OFF 11:30 A.M.
LOCATION Fed 7-C-9-18
REMARKS J. H. R. Jr.

FEDERAL 7-6-9-18
1/1/2009 To 5/30/2009

3/25/2009 Day: 1

Conversion

Leed #731 on 3/24/2009 - MIRU Leed #731. Hot oiler had pumped 50 BW down csg @ 250°. RD pumping unit. Unseat rod pump. Flush tbg & rods w/ 40 BW @ 250°. Soft seat rods & pump. Fill tbg & attempt pressure test, blew hole @ 2700 psi. LD rods as follows: 1 1/2" X 22' polished rod, 99- 3/4" guided rods, 88- 3/4" plain rods, 30- 3/4" guided rods, 6- 1 1/2" weight rods & 2 1/2" X 1 1/2" X 15 1/2' RHAC rod pump. X-over for tbg. ND wellhead. Release TA. NU BOP. RU rig floor. TOOH w/ 30 jts 2 7/8" J-55 tbg (breaking collars & applying liquid O-ring to threads). SWIFN.

3/26/2009 Day: 2

Conversion

Leed #731 on 3/25/2009 - Check pressure on well, 200 psi on csg, 175 psi on tbg. TOOH w/ remaining tbg (breaking collars & applying liquid O-ring to threads). PU Arrowset 1-X packer & new SN. TIH w/ tbg, pressure testing after each 40 jts ran. Final pressure test of 3000 psi, held test for 30 minutes w/ 0 psi loss. SWIFN.

3/27/2009 Day: 3

Conversion

Leed #731 on 3/26/2009 - RU sandline. RIH w/ fishing tool on sandline & retrieve standing valve. RD rig floor. ND BOPs. NU wellhead. Pump 60 bbls packer fluid down tbg-csg annulus. ND wellhead. Set Arrowset 1-X packer w/ CE @ 4152' w/ 15,000# tension. NU wellhead. Fill annulus w/ 35 bbls packer fluid & pressure test to 1400 psi. Held pressure test for 30 minutes w/ 0 psi loss. Ready for MIT!



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

1595 Wynkoop Street
DENVER, CO 80202-1129
Phone 800-227-8917
<http://www.epa.gov/region08>

APR 15 2009

Ref: 8P-W-GW

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Michael Guinn
District Manager
Newfield Production Company
Route 3 - Box 3630
Myton, UT 84052

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

RE: Authority to Commence Injection
EPA UIC Permit UT21114-07546
Federal No. 7-6-9-18
Uintah County, Utah
API #: 43-047-34934

Dear Mr. Guinn:

95 18E 6

Newfield Production Company (Newfield) has satisfactorily completed Environmental Protection Agency (EPA) Prior to Commencing Injection requirements for Final Permit, UT21114-07546, effective October 26, 2007. The Part I (Internal) Mechanical Integrity Test (MIT), Well Rework Record (EPA Form No. 7520-12), schematic diagram, and pore pressure, were reviewed and approved by EPA on April 14, 2009.

As of the date of this letter, Newfield is authorized to commence injection into Federal No. 7-6-9-18 at a maximum allowable injection pressure (MAIP) of 1,270 psig. Until such time as the Permittee demonstrates through a Step Rate Test (SRT) that the Fracture Gradient (FG) is other than 0.740 psi/ft, Federal No. 7-6-9-18 shall be operated at a MAIP no greater than 1,270 psig.

RECEIVED

APR 20 2009

DIV. OF OIL, GAS & MINING

As of this approval, responsibility for permit compliance and enforcement is transferred to Region 8 UIC Technical Enforcement Program office. Therefore, please direct all monitoring and compliance correspondence to the following address, referencing your well name and UIC Permit number on all correspondence regarding this well to:

Mr. Nathan Wiser
Technical Enforcement Program – UIC
U.S. EPA Region 8: Mail Code 8ENF-UFO
1595 Wynkoop Street
Denver, CO 80202-1129

Or, you may reach Mr. Wiser by telephone at 303-312-6211, or 1 800-227-8927, ext. 312-6211.

Please remember that it is your responsibility to be aware of and to comply with all conditions of injection well Permit UT21114 -07546.

If you have questions regarding the above action, please call Emmett Schmitz at 303-312-6174 or 1-800-227-8917, ext. 312-6174.

Sincerely,



Steven Pratt, P.E., CAPM (Inactive)
Director, Ground Water Program

cc: Uintah & Ouray Business Committee, Ute Indian Tribe
Curtis Cesspooch, Chairman
Irene Cuch, Vice-Chairwoman
Frances Poowegup, Councilwoman
Ronald Groves, Councilman
Phillip Chimburas, Councilman
Steven Cesspooch, Councilman

Daniel Picard, Superintendent
Uintah & Ouray Indian Agency
U.S. Bureau of Indian Affairs

Eric Sundberg
Newfield Production Company
Denver, CO

Larry Love
Director
Energy & Minerals Dept.
Ute Indian Tribe

Ferron Secakuku
Director
Natural Resources
Ute Indian Tribe

Gilbert Hunt
Associate Director
State of Utah – Division of Oil, Gas & Mining

Fluid Minerals Engineering Dept.
U.S. Bureau of Land Management
Vernal, Utah

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUBMIT IN TRIPLICATE - Other Instructions on page 2

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

NEWFIELD PRODUCTION COMPANY

3a. Address Route 3 Box 3630

Myton, UT 84052

3b. Phone (include area code)

435 646 3721

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2553 FNL 1910 FEL

SWNE Section 6 T9S R18E

5. Lease Serial No.

USA UTU-65970

6. If Indian, Allottee or Tribe Name.

7. If Unit or CA/Agreement, Name and/or

SUNDANCE UNIT

8. Well Name and No.

FEDERAL 7-6-9-18

9. API Well No.

4304734934

10. Field and Pool, or Exploratory Area

MONUMENT BUTTE

11. County or Parish, State

UINTAH, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug & Abandon	<input type="checkbox"/> Temporarily Abandon	Change status put well
	<input checked="" type="checkbox"/> Convert to Injector	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	on injection.

13. Describe Proposed or Completed Operation: (Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The above reference well was put on injection at 2:00 PM on 6-4-09.


UT 21114-07546

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**

I hereby certify that the foregoing is true and correct (Printed/ Typed)

Kathy Chapman

Signature



Title

Office Manager

Date

06/05/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Office

Date

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious and fraudulent statements or representations as to any matter within its jurisdiction

RECEIVED

(Instructions on page 2)

JUN 08 2009

DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-65970
1. TYPE OF WELL Water Injection Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: NEWFIELD PRODUCTION COMPANY		7. UNIT or CA AGREEMENT NAME: GMBU (GRRV)
3. ADDRESS OF OPERATOR: Rt 3 Box 3630 , Myton, UT, 84052		8. WELL NAME and NUMBER: FEDERAL 7-6-9-18
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2553 FNL 1910 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 06 Township: 09.0S Range: 18.0E Meridian: S		9. API NUMBER: 43047349340000
PHONE NUMBER: 435 646-4825 Ext		9. FIELD and POOL or WILDCAT: 8 MILE FLAT NORTH
COUNTY: Uintah		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> WILDCAT WELL DETERMINATION	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 3/3/2014	<input checked="" type="checkbox"/> OTHER	
<input type="checkbox"/> SPUD REPORT Date of Spud:	OTHER: 5 YR MIT	
<input type="checkbox"/> DRILLING REPORT Report Date:		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. 5 YR MIT performed on the above listed well. On 03/03/2014 the casing was pressured up to 1452 psig and charted for 30 minutes with no pressure loss. The well was not injecting during the test. The tbq pressure was 1090 psig during the test. There was not an EPA representative available to witness the test. EPA #UT22197-07546		
NAME (PLEASE PRINT) Lucy Chavez-Naupoto		PHONE NUMBER 435 646-4874
SIGNATURE N/A		TITLE Water Services Technician
		DATE 3/11/2014

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 March 11, 2014

Mechanical Integrity Test

Casing or Annulus Pressure Mechanical Integrity Test

U.S. Environmental Protection Agency
Underground Injection Control Program
999 18th Street, Suite 500 Denver, CO 80202-2466

EPA Witness: _____ Date: 3 13 11
Test conducted by: JOHANNY SIM
Others present: _____

-07546

Well Name: <u>FEDERAL 7-6-9-18</u>	Type: <u>ER SWD</u>	Status: <u>AC TA UC</u>
Field: <u>GREATER MOVEMENT BUTTE UNIT</u>		
Location: <u>7</u>	Sec: <u>6 T 9 N 15 E W</u>	County: <u>WINTHROP</u> State: <u>UTAH</u>
Operator: <u>NEWFIELD EXPLORATION COMPANY</u>		
Last MIT: <u>1 1</u>	Maximum Allowable Pressure: _____	PSIG

Is this a regularly scheduled test? ☒ Yes ☐ No
Initial test for permit? ☐ Yes ☒ No
Test after well rework? ☐ Yes ☒ No
Well injecting during test? ☒ Yes ☐ No If Yes, rate: 35 bpd

Pre-test casing/tubing annulus pressure: 0/1090 psig

MIT DATA TABLE		Test #1	Test #2	Test #3
TUBING		PRESSURE		
Initial Pressure	<u>1090</u> psig	psig	psig	psig
End of test pressure	<u>1090</u> psig	psig	psig	psig
CASING / TUBING		ANNULUS PRESSURE		
0 minutes	<u>1445</u> psig	psig	psig	psig
5 minutes	<u>1446</u> psig	psig	psig	psig
10 minutes	<u>1448</u> psig	psig	psig	psig
15 minutes	<u>1450</u> psig	psig	psig	psig
20 minutes	<u>1451</u> psig	psig	psig	psig
25 minutes	<u>1452</u> psig	psig	psig	psig
30 minutes	<u>1452</u> psig	psig	psig	psig
_____ minutes	psig	psig	psig	psig
_____ minutes	psig	psig	psig	psig
RESULT	<input checked="" type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	<input type="checkbox"/> Pass <input type="checkbox"/> Fail

Does the annulus pressure build back up after the test? ☐ Yes ☒ No

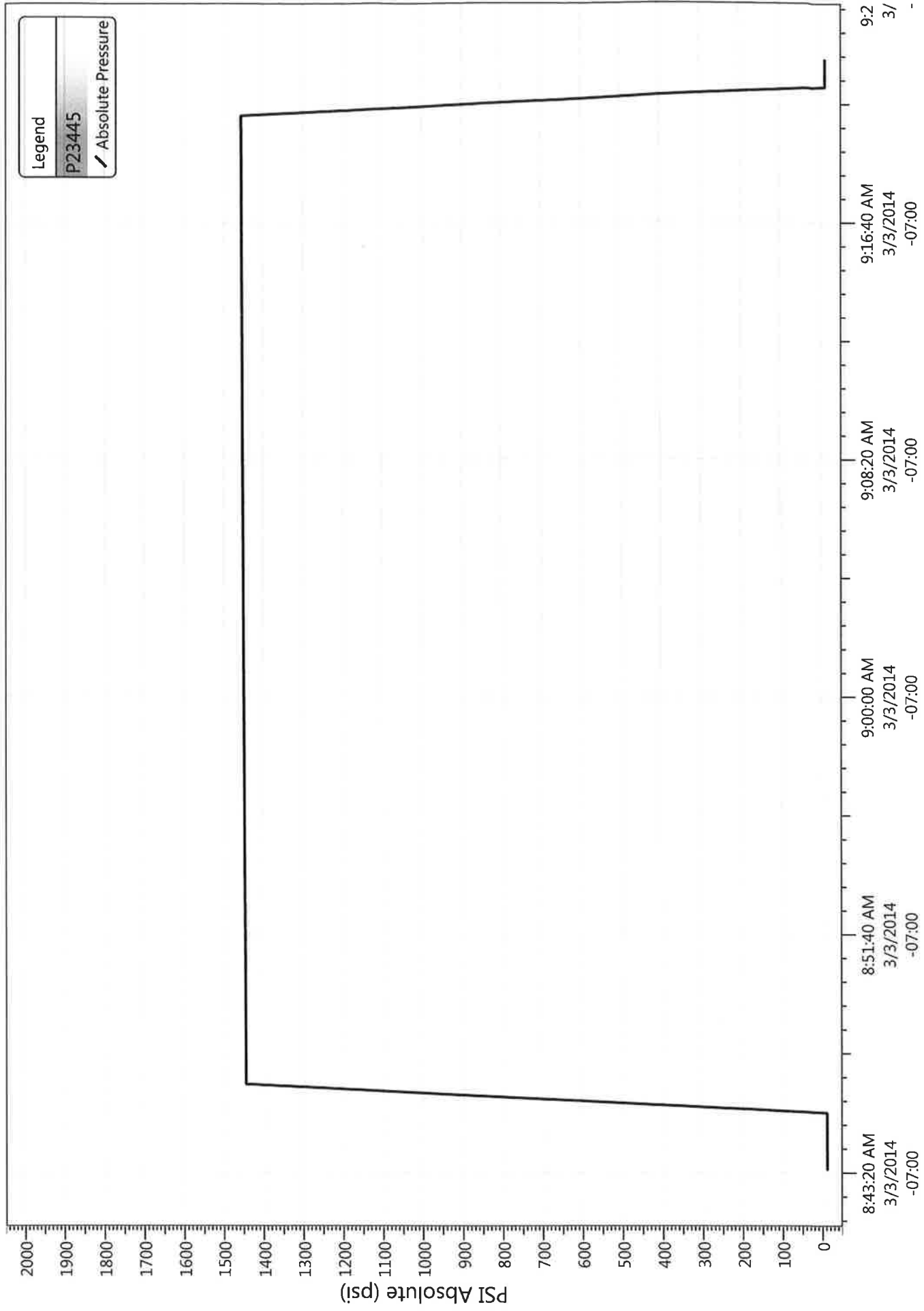
MECHANICAL INTEGRITY PRESSURE TEST

Additional comments for mechanical integrity pressure test, such as volume of fluid added to annulus and bled back at end of test, reason for failing test (casing head leak, tubing leak, other), etc.:

Signature of Witness: _____

Federal 7-6-9-18 (3-3-14) 5 yr M

3/3/2014 8:40:21 AM



NEWFIELD

Schematic

Well Name: Federal 7-6-9-18

43-047-34934

Surface Legal Location 06-9S-18E	API/UWI 43047349340000	Well RC 500150896	Lease	State/Province Utah	Field Name GMBU CTB10	County Uintah
Spud Date	Rig Release Date	On Production Date 5/18/2004	Original KB Elevation (ft) 5,008	Ground Elevation (ft) 4,996	Total Depth All (TVD) (ftKB)	PBTD (All) (ftKB) Original Hole - 5,967.0

Most Recent Job

Job Category Testing	Primary Job Type	Secondary Job Type N/A	Job Start Date 3/3/2014	Job End Date 3/3/2014
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TD: 6,300.0

Vertical - Original Hole, 9/15/2015 10:52:45 AM

MD (ftKB)	TVD (ftKB)	Incl (°)	DLS	Vertical schematic (actual)
			DLS (°...	
12.1				
306.1				
307.1				
4,147.3				
4,148.6				
4,155.8				
4,231.0				
4,238.8				
4,253.9				
4,266.1				
4,293.0				
4,320.9				
4,894.0				
4,915.0				
5,224.1				
5,229.0				
5,240.2				
5,252.0				
5,275.9				
5,289.0				
5,603.0				
5,611.9				
5,965.6				
5,965.9				
5,966.9				
5,990.2				
5,990.8				
6,299.9				

NEWFIELD



Newfield Wellbore Diagram Data Federal 7-6-9-18

Surface Legal Location 06-9S-18E		API/UWI 43047349340000		Lease	
County Uintah	State/Province Utah		Basin	Field Name GMBU CTB10	
Well Start Date 4/15/2004		Spud Date		Final Rig Release Date	On Production Date 5/18/2004
Original KB Elevation (ft) 5,008	Ground Elevation (ft) 4,996	Total Depth (ftKB) 6,300.0		Total Depth All (TVD) (ftKB)	PBTD (All) (ftKB) Original Hole - 5,967.0

Casing Strings

Csg Des	Run Date	OD (in)	ID (in)	Wt/Len (lb/ft)	Grade	Set Depth (ftKB)
Surface	4/15/2004	8 5/8	8.097	24.00	J-55	307
Production	4/23/2004	5 1/2	4.950	15.50	J-55	5,991

Cement

String: Surface, 307ftKB 4/15/2004

Cementing Company BJ Services Company	Top Depth (ftKB) 12.0	Bottom Depth (ftKB) 307.0	Full Return?	Vol Cement Ret (bbl)
Fluid Description 2% CaCL2 + 1/4#/sk Cello-Flake mixed	Fluid Type Lead	Amount (sacks) 150	Class G	Estimated Top (ftKB) 12.0

String: Production, 5,991ftKB 4/23/2004

Cementing Company BJ Services Company	Top Depth (ftKB) 12.0	Bottom Depth (ftKB) 6,300.0	Full Return?	Vol Cement Ret (bbl)
Fluid Description 10% gel + 3 % KCL, 3#'s /sk CSE + 2# sk/kolseal + 1/2#'s/sk Cello Flake	Fluid Type Lead	Amount (sacks) 300	Class Premlite II	Estimated Top (ftKB) 12.0
Fluid Description 2% Gel + 3% KCL, .5%EC1, 1/4# sk C.F. 2% gel. 3% SM mixed	Fluid Type Tail	Amount (sacks) 400	Class 50/50 poz	Estimated Top (ftKB) 2,500.0

Tubing Strings

Tubing Description Tubing					Run Date 4/1/2009		Set Depth (ftKB) 4,155.9	
Item Des	Jts	OD (in)	ID (in)	Wt (lb/ft)	Grade	Len (ft)	Top (ftKB)	Btm (ftKB)
Tubing	134	2 7/8	2.441	6.50	J-55	4,135.37	12.0	4,147.4
Pump Seating Nipple	1	2 7/8	2.441			1.10	4,147.4	4,148.5
Packer	1	5 1/2	4.950			7.40	4,148.5	4,155.9

Rod Strings

Rod Description		Run Date			Set Depth (ftKB)		
Item Des	Jts	OD (in)	Wt (lb/ft)	Grade	Len (ft)	Top (ftKB)	Btm (ftKB)

Perforation Intervals

Stage#	Zone	Top (ftKB)	Btm (ftKB)	Shot Dens (shots/ft)	Phasing (")	Nom Hole Dia (in)	Date
4	GB6 & GB4, Original Hole	4,231	4,239	4			5/12/2004
4	GB6 & GB4, Original Hole	4,254	4,266	4			5/12/2004
4	GB6 & GB4, Original Hole	4,293	4,321	4			5/12/2004
3	C, Original Hole	4,894	4,915	4			5/12/2004
2	LODC & A3, Original Hole	5,224	5,229	4			5/12/2004
2	LODC & A3, Original Hole	5,240	5,252	4			5/12/2004
2	LODC & A3, Original Hole	5,276	5,289	4			5/12/2004
1	CP2, Original Hole	5,603	5,612	4			5/12/2004

Stimulations & Treatments

Stage#	ISIP (psi)	Frac Gradient (psi/ft)	Max Rate (bbl/min)	Max PSI (psi)	Total Clean Vol (bbl)	Total Slurry Vol (bbl)	Vol Recov (bbl)
1	1,796	0.75	25.1	1,810			
2	1,581	0.73	25.0	1,532			
3	1,631	0.77	25.2	1,700			
4	2,288	0.97	25.5	2,150			

Proppant

Stage#	Total Prop Vol Pumped (lb)	Total Add Amount
1		Proppant Sand 41461 lb
2		Proppant Sand 106076 lb
3		Proppant Sand 93689 lb
4		Proppant Sand 153854 lb